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**Riverside County:** Jeff Stone, Riverside County • Thomas Buckley, Lake Elsinore • Bonnie Flickinger, Moreno Valley • Ron Loveridge, Riverside • Greg Pettis, Cathedral City • Ron Roberts, Temecula

**San Bernardino County:** Gary Ovitt, San Bernardino County • Lawrence Dale, Barstow • Paul Eaton, Montclair • Lee Ann Garcia, Grand Terrace • Tim Jasper, Town of Apple Valley • Larry McCallon, Highland • Deborah Robertson, Rialto • Alan Wapner, Ontario

**Tribal Government Representative:** Andrew Masiel St., Pechanga Band of Luiseno Indians

**Ventura County:** Linda Parks, Ventura County • Glen Becerra, Simi Valley • Carl Morehouse, San Buenaventura • Toni Young, Port Hueneme

**Orange County Transportation Authority:** Art Brown, Buena Park

**Riverside County Transportation Commission:** Robin Lowe, Hemet

**Ventura County Transportation Commission:** Keith Millhouse, Moorpark

## MEETING OF THE

# ADMINISTRATION COMMITTEE

### **PLEASE NOTE DATE AND TIME**

**Thursday, August 30, 2007**

**8:30 a.m. – 9:30 a.m.**

### **SCAG Offices**

**818 West 7<sup>th</sup> Street, 12<sup>th</sup> Floor**

**Conference Room San Bernardino**

**Los Angeles, CA 90017**

**213.236.1800**

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Carmen Summers at 213.236.1984 or [summers@scag.ca.gov](mailto:summers@scag.ca.gov)

Agendas and Minutes for the Administration Committee are also available at:

[www.scag.ca.gov/committees/ac.htm](http://www.scag.ca.gov/committees/ac.htm)

SCAG, in accordance with the Americans with Disabilities Act (ADA), will accommodate persons who require a modification of accommodation in order to participate in this meeting. If you require such assistance, please contact SCAG at (213) 236-1868 at least 72 hours in advance of the meeting to enable SCAG to make reasonable arrangements. To request documents related to this document in an alternative format, please contact (213) 236-1868.

## Administration Committee Membership

Loveridge, Ronald, **Chair**  
Edney, Jon, **Vice Chair**

*Riverside*  
*El Centro*

*Riverside County*  
*CEHD*

<b>Member</b>	<b>Representing</b>	<b>Affiliation</b>
Aldinger, Jim	Manhattan Beach	SBCCOG
Baldwin, Harry	San Gabriel	TCC
Becerra, Glen	Simi Valley	Ventura County
Burke, Yvonne	Los Angeles	President
Clark, Margaret	Rosemead	EEC
Dixon, Richard	Lake Forest	Officer
Lowenthal, Bonnie	Long Beach	TCC
Masiel, Andrew	Pechanga Band of Luiseno Mission Indians	Appointed
McCallon, Larry	Highland	Appointed
Nowatka, Paul	Torrance	Appointed
O'Connor, Pam	Santa Monica	Appointed
Ovitt, Gary	San Bernardino	Officer
Parks, Bernard	Los Angeles	Appointed
Pettis, Greg	Cathedral City	CVAG
Roberts, Ron	Temecula	WRCOG
Wapner, Alan	Ontario	SANBAG
Washburn, Dennis	Calabasas	EEC
Young, Toni,	Port Hueneme	Immediate Past President

*Last Update 6/11/07*

# ADMINISTRATION COMMITTEE

## AGENDA

PAGE #

TIME

*"Any item listed on the agenda (action or information) may be acted upon at the discretion of the Committee."*

1.0 CALL TO ORDER & PLEDGE OF ALLEGIANCE

Hon. Ron  
Loveridge, Chair

2.0 PUBLIC COMMENT PERIOD

Members of the public desiring to speak on an agenda item or items not on the agenda, but within the purview of the Committee, must fill out and present a speaker's card to the Assistant prior to speaking. A speaker's card must be turned in before the meeting is called to order. Comments will be limited to three minutes. The chair may limit the total time for all comments to twenty (20) minutes.

3.0 REVIEW and PRIORITIZE AGENDA ITEMS

4.0 CONSENT CALENDAR

4.1 Approval Items

4.1.1 Minutes of July 12, 2007 Meeting  
Attachment

1

4.1.2 Contracts over \$250,000  
Attachment

8

4.1.3 Approve the FY 2008-2009  
Comprehensive Budget  
Development Schedule  
Attachment

11

4.2 Receive & File

4.2.1 Contracts/Purchase Orders and  
MOUs between \$5,000 - \$250,000  
Attachment

13

# ADMINISTRATION COMMITTEE

## AGENDA

			PAGE #	TIME
5.0	<b><u>ACTION ITEMS</u></b>			
5.1	<u>Regional Comprehensive Plan Sustainability Conference Attachment</u>	Douglas Kim, SCAG Consultant	31	5 minutes
	<b>Recommended Action:</b> Co-fund \$10,000 toward the cost of hosting a Regional Comprehensive plan Sustainability Conference in January 2008.			
5.2	<u>Contract Manual Amendment Attachment</u>	Leyton Morgan, Contracts Mgr.	32	5 minutes
	<b>Recommended Action:</b> Amend sections 8.1.1 (Formal Request for Prop./Bid) and 8.1.2 (Informal Request for Prop./Bid) of the SCAG Contract manual to establish specific policy to govern Contracts funded from the General Fund.			
5.3	<u>Implementation Regarding GASB 45 Irrevocable Trust Attachment</u>	Basil Panas, Accounting Mgr.	34	10 minutes
	<b>Recommended Action:</b> Recommend that the Administration Committee approve the following documents relating to the implementation of the Governmental Accounting Standards Board Statement No. 45 (GASB 45) Irrevocable Trust.			
5.4	<u>Statement of Investment Policy Attachment</u>	Wayne Moore, CFO	47	5 minutes
	<b>Recommended Action:</b> Recommend that the Administration Committee Adopt the Amended Investment Policy.			

# ADMINISTRATION COMMITTEE

## AGENDA

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			PAGE #	TIME
5.0	<b><u>ACTION ITEMS-Continued</u></b>			
5.5	<u>Government and Public Affairs Classification Study Results Attachment</u>	<b>Rhonda Lawrence, SCAG Staff</b>	<b>56</b>	<b>5 minutes</b>
	<b>Recommended Action:</b> Approve the Classification levels and the Salary ranges.			
5.6	<u>Sponsorship of the 2008 Faster Freight Cleaner Air Conference Attachment</u>	<b>Jonathan Nadler, SCAG Staff</b>	<b>59</b>	<b>5 minutes</b>
	<b>Recommended Action:</b> Approve \$25,000 sponsorship of hosting the 2008 Faster Freight – Cleaner Air Conference.			
6.0	<b><u>INFORMATION ITEMS</u></b>			
6.1	<u>CFO Monthly Financial Report for June &amp; July 2007 Attachment</u>	<b>Wayne Moore, CFO</b>	<b>60</b>	<b>10 minutes</b>
7.0	<b><u>AUDIT COMMITTEE REPORT</u></b>	<b>Hon. Paul Nowatka, Chair</b>		
8.0	<b><u>STAFF REPORT</u></b>			

# ADMINISTRATION COMMITTEE

## AGENDA

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- |  | <i>PAGE #</i> | <i>TIME</i> |
|--|---------------|-------------|
| <b>9.0    <u>FUTURE AGENDA ITEMS</u></b>   |               |             |
| <p>Any Committee member or staff desiring to place items on a future agenda may make such a request.</p>                                       |               |             |
| <b>10.0    <u>ANNOUNCEMENTS</u></b>  |               |             |
| <b>11.0    <u>ADJOURNMENT</u></b>  |               |             |
| <p>The next meeting of the Administration Committee will be held on Thursday, October 4, 2007 at the SCAG offices in downtown Los Angeles.</p> |               |             |

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SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS  
ADMINISTRATION COMMITTEE

July 12, 2007

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MINUTES

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**THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE ADMINISTRATION COMMITTEE. AUDIO CASSETTE TAPE OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.**

The Administration Committee held its meeting at the SCAG Offices, Downtown Los Angeles, CA. The meeting was called to order by Ronald Loveridge, Chair, Riverside. There was a quorum.

**Members Present**

Baldwin, Harry	City of San Gabriel
Burke, Yvonne	County of Los Angeles
Clark, Margaret	City of Rosemead
Dixon, Richard	City of Lake Forest
Edney, Jon ( <b>Vice Chair</b> )	City of El Centro
Loveridge, Ronald ( <b>Chair</b> )	City of Riverside
McCallon, Larry	City of Highland
Ovitt, Gary	County of San Bernardino
Roberts, Ron	City of Temecula
Wapner, Alan	City of Ontario
Washburn, Dennis	City of Calabasas

**Other RC Members Present**

Lantz, Paula	City of Pomona
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**Members Not Present**

Aldinger, Jim	Manhattan Beach
Becerra, Glenn	City of Simi Valley
Lowenthal, Bonnie	City of Long Beach
Masiel, Andrew	Pechanga Band of Luiseno Mission Indians
Nowatka, Paul	City of Torrance
O'Connor, Pam	City of Santa Monica
Parks, Bernard	City of Los Angeles
Pettis, Greg	City of Cathedral City
Young, Toni	City of Port Hueneme

**1.0 CALL TO ORDER & PLEDGE OF ALLEGIANCE**

Hon. Ronald Loveridge, Chair, Riverside, called the meeting to order at 8:35 a.m.

**2.0 PUBLIC COMMENT PERIOD**

Richard Spicer commented and distributed a statement regarding SCAG's Retirees' recommendations and perspectives on SCAG's proposed GASB45 recommendations. Mr. Spicer further noted that he had comments to Item 5.1 on the agenda.

**3.0 REVIEW and PRIORITIZE AGENDA ITEMS**

None made.

**4.0 CONSENT CALENDAR**

**4.1 Approval Items**

4.1.1 Minutes of June 7, 2007 Meeting

4.1.2 Federal Aviation Administration  
Grant Application for \$650,000

Hon. Wapner requested future Aviation Grants to be presented to the Aviation Task Force before going to the Administration Committee.

4.1.3 I-710 EIR/EIS Funding Agreement

4.1.4 Co-Sponsorship of UCLA Extension  
Public Policy Program 2007  
Arrowhead Symposium

4.1.5 Study Tour on Public Transportation  
and Mobility in Switzerland

*Motion was made by (Ovitt) to approve the Approval consent calendar items. Motion was seconded (McCallon) and unanimously approved.*



#### 4.2 **Receive & File**

- 4.2.1 Contracts/Purchase Orders and MOUs between \$5,000 - \$250,000 Attachment
- 4.2.2 Leadership Southern California Program Opportunity

*Motion was made by (Baldwin) to approve the Receive and File consent calendar items. Motion was seconded (Ovitt) and unanimously approved.*

#### 5.0 **ACTION ITEMS**

- 5.1 GASB 45-Other Post Employment Benefits; Supplemental Defined Benefit Retirement Plan

Hon. Paula Lantz, Wayne Moore, CFO, and Debbie Dillon, HR Manager provided an overview of the recommendations from the GASB 45 Working Group regarding the GASB 45 matter. It was the recommendation that (a) For financial planning purposes, SCAG's contribution for retiree medical benefits should be increased by 2% triennially, commencing on July 1, 2009; and (b) SCAG should establish an irrevocable trust to accumulate related funding and should fund the supplemental defined benefit pension plan with a purchased annuity.

There was further discussion regarding SCAG's cafeteria plan and the amount of medical benefit provided to the active and retired employees. Debbie Dillon reported that by implementing the cafeteria plan, SCAG followed CalPERS guidelines and earmarked the same dollar amount for active and retired employees, of \$550.00 per month. Additionally, to maintain market competitiveness for recruiting & retaining employees, SCAG increased the overall contribution for all benefits for active employees to spend through the cafeteria plan. However, SCAG did not increase the contribution for medical for retirees which is permitted under the CalPERS regulations, so that the impact of GASB 45 could be evaluated.

Wayne Moore reported that SCAG's staff will be conducting their annual survey of benefits and peer group comparisons in January 2008. Staff anticipates coming back in January or February, 2008 to the Personnel Committee, the Administration Committee and to the Regional Council for further discussions and recommendations.

Richard Spicer, retiree, summarized the retirees' position on the proposed recommendations. The retirees supported the irrevocable trust to fund the post-employment medical benefit and also supported the purchase of an annuity to fund the pension benefit. The retirees felt that there was a commitment to keep parity between employee medical benefits and retiree medical benefits. The cafeteria plan broke that link, according to Mr. Spicer. Also the retirees asked that parity be retained between the employees and retirees for medical benefits. Finally, the retirees requested that the current monthly benefit of \$550.00 be increased to \$600.00 and with an increase in medical benefits by 2% annually.

Larry McCallon indicated that although the retirees' position was very important, those specific issues are not before the Committee at this time; only the GASB 45 planning recommendations were before the Committee that day. The Committee would consider Mr. Spicer's and the other retirees requests after the market survey had been completed and submitted to the policy committees for their recommendations.

*Motion was made by (McCallon) to approve the GASB 45 planning recommendations. Motion was seconded (Dixon) and unanimously approved.*

## 5.2 Regional Council Policy Manual

Joann Africa, Director of Legal Services, Chief Counsel (acting) provided additional details regarding the recommendation for the Regional Council to approve the Regional Council Policy Manual with amendments as recommended by the Communications and Membership Subcommittee and SCAG legal counsel.

The Board directed staff to make changes to Article VII regarding "Leadership Development" and to revise Section 1.1.a, regarding "District Representative Election Procedures" to indicate two-thirds (2/3) of the representatives of the SCAG Member Cities in each district.

*Motion was made by (Roberts) to approve the policy manual with amendments as noted. Motion was seconded (Dixon) and unanimously approved.*

## 5.3 Merit Pay Program

Gary Ovitt, Regional Council President, noted that he had questions regarding the Merit Pay Program and requested that this item be deferred to the Executive Committee for further discussion. He also asked that the current Merit Pay Program be extended 60 days, until the next Executive Committee meeting.

*Motion was made by (Ovitt) to approve the 60 day extension and to defer matter to Executive Committee. Motion was seconded (Dixon) and unanimously approved.*

## **6.0 INFORMATION ITEMS**

### **6.1 Salary Administration and Tuition Reimbursement Revisions**

Debbie Dillon, HR Manager gave a brief overview of the changes being implemented by Executive Management for this fiscal year. The changes included increasing the minimum salary for all salary ranges by eliminating the bottom 20% of all salary ranges to provide competitive starting salaries for entry level employees and maintaining salary equity between long service personnel and new hires. Also recommended was providing management discretion to increase up to 5% for promotions and reclassifications. These changes will help in maintaining internal equity and help employees move through ranges at a more competitive pace.

Regarding Tuition Reimbursement: A reimbursement equivalent to the CSU annual fee would be implemented. The current CSU fee is \$3,200. This increase will enhance retention and recruitment of the highest qualified employees at SCAG.

### **6.2 CFO Monthly Financial Report for May 2007**

Wayne Moore, CFO provided a brief overview:

- The Repo Sweep program was implemented; SCAG is now earning 3.75% per annum on previously uninvested checking account balances; with an anticipated net gain of \$1,200 monthly interest income.
- Approval was received from FHWA for SCAG's OWP and Indirect Cost Budgets.
- Contracts is engaged in developing Scopes of Work and requests for proposals for this fiscal year's work program
- The Overall General Fund Budget will be under budget by \$200,000.

### **6.3 Reactivation of Investment Subcommittee**

Wayne Moore, CFO provided that in light of the likely establishment of an Irrevocable Trust Fund for retiree healthcare benefits and, with the other Treasury related functions recently implemented, Committee oversight of these activities is required. Mr. Moore asked the Chair to reactivate the Investments Subcommittee with two appointments from Committee Members.

Hon. Ronald Loveridge recommended the Hon. Bernard Parks and Hon. Larry McCallon to sit on the Investment Subcommittee and welcomed any others that would like to participate. The Committee concurred with the recommendation.

**7.0     STAFF REPORT**

There was no Staff Report

**8.0     FUTURE AGENDA ITEMS**

None

**9.0     ANNOUNCEMENTS**

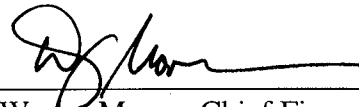
There were no announcements

**10.0    ADJOURNMENT**

Hon. Ronald Loveridge, Chair, adjourned the meeting at 9:40 a.m.

The next Administration Committee meeting will be held on Thursday, August 30, 2007 at the SCAG offices in downtown Los Angeles.

Minutes Approved by:

A handwritten signature in black ink, appearing to read 'Wayne Moore', is written over a horizontal line.

Wayne Moore, Chief Financial Officer  
Staff to the Administration Committee

# ADMINISTRATION COMMITTEE ATTENDANCE REPORT

2007

Last Name, First Name	County	X = County Represented				X = Attended				= No Meeting				NM = New Member			
		LA	OC	RC	SD	VC	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Aldinger, Jim*	Manhattan Beach	X					X										
Baldwin, Harry*	San Gabriel	X					X		X				X				
Becerra, Glen*	Simi Valley					X											
Burke, Yvonne*	Los Angeles County	X					X						X				
Clark, Margaret*	Rosemead	X					X						X				
Dixon, Richard*	Lake Forest		X				X						X				
Edney, Jon* Vice Chair	El Centro	X					X		X				X				
Loveridge, Ronald, Chair*	Riverside			X			X		X				X				
Lowenthal, Bonnie	Long Beach	X															
Masiel, Andrew*	T.A.S.I.N.				X				X								
McCallon, Larry*	Highland				X		X		X				X				
Nowatka, Paul*	Torrance	X					X		X				X				
O'Connor, Pam*	Santa Monica	X															
Ovitt, Gary*	San Bernardino County				X				X				X				
Parks, Bernard*	Los Angeles	X					X										
Pettis, Gregory*	Cathedral City		X				X		X								
Roberts, Ron*	Temecula			X			X						X				
Wagner, Alan*	Ontario				X			X	X				X				
Washburn, Dennis*	Calabasas	X					X		X				X				
Young, Toni *	Port Hueneme					X		X	X				X				
<b>Totals</b>		<b>1</b>	<b>9</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>2</b>										

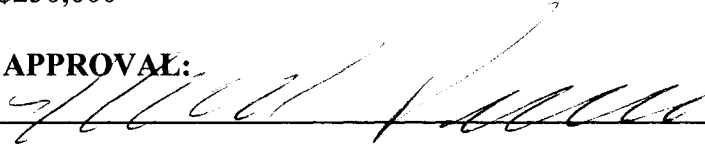
\* Regional Council Member

# REPORT

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**DATE:** August 30, 2007  
**TO:** Administration Committee and Regional Council  
**FROM:** Leyton Morgan, Manager of Contracts  
**SUBJECT:** Contracts Over \$250,000

**EXECUTIVE DIRECTOR'S APPROVAL:**



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**RECOMMENDED ACTION:**

Approve

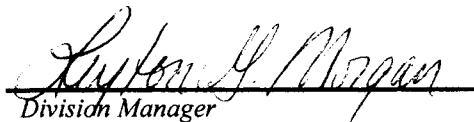
**BACKGROUND:**

Parsons Brinkerhoff \$286,489  
(Conduct a detailed Commuter Rail Station Needs Assessment for  
three specific commuter rail lines within the Metrolink rail system)

**FISCAL IMPACT:**

The cost associated with this project are captured in Work Element Number 06-140.SCGC2.

Reviewed by:

  
Division Manager

Reviewed by:

  
Chief Financial Officer

## **CONSULTANT CONTRACT**

**Consultant**

Parsons Brinkerhoff Americas Inc.

**Scope:**

The Southern California Association of Governments in partnership with the Orange County Transportation Authority (OCTA), the Southern California Regional Rail Authority (SCRRA), and the Riverside County Transportation Commission, request funds to conduct a detailed Commuter Rail Station Needs Assessment for three specific commuter rail lines within the Southern California commuter rail system known as Metrolink. The study will assess demand for parking, transit feeder service, airport fly-away service, specific way-finding opportunities and/or general station needs at 15 commuter rail stations located along the 91 Line (Riverside to Fullerton to Los Angeles), the Inland Empire to Orange County Line, and the Orange County Line.

**Contract Amount:**

**Total not to exceed**

**\$286,489**

Parsons Brinkerhoff Americas Inc.

\$218,464

Sharon Green & Asso.

\$45,025

OP&C

\$10,000

Sarah Catz

\$13,000

**Contract Period:**

September 3, 2007 through July 31, 2008

**Work Element:**

06-140.SCGC2 \$287,340

Funding Source: FTA,  
Riverside County

**Request for Proposal:**

A bid alert notice for RFP 07-082 was emailed to 450 consultants, and the RFP was posted on SCAG's bid management system. A total of 64 firms downloaded the RFP. The following five consultant(s) responded to the RFP:

Parsons Brinkerhoff/Sharon Green & Asso.

\$286,489

OP&C/Sarah Catz

Wilbur Smith Associates/The Planning Center

\$287,000

IBI/DMR/LSA/OP&C Arellano & Associates

\$286,740

Arup Americas/RTKL/Economic Research/

\$281,433

The Robert Group

Kittesson & Asso./Kodama/GRC

\$280,995

**Selection Process:**

The Proposal Review Committee (PRC) evaluated all five proposals in accordance with the criteria set forth in the RFP, and the selection process was conducted in a manner consistent with all applicable Federal and State contracting regulations. Interviews were held with all five proposers.

The PRC was comprised of the following individuals:

Sheldon Peterson, Rail Programs Manager, RCTC  
Abbe McClenahan, Principal Transportation Analyst, OCTA  
Lea Simpson, Transportation Planner, Caltrans Dist. 7  
André Darmanin, Regional Transit Planner, SCAG

**Basis for Selection:**

The PRC committee recommends Parsons Brinckerhoff for the contract award because of the firm's qualifications to fulfill the requirements of the project. Their firm is one of the few world renowned consultants who have experience in a variety of planning fields, including rail corridor studies. The strength of their lead project manager as well as their multidisciplinary approach drawn in their multitude of studies separated their team from the other proposers. Parsons Brinckerhoff is willing and able to meet the highly demanding requirements of this project given their detail-oriented approach as outlined in their proposal.

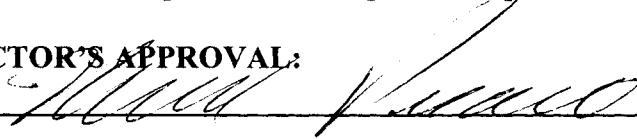
Parsons Brinckerhoff has performed a considerable amount of rail transportation work for SCAG in the past and is very knowledgeable about key rail issues facing the region. They are currently completing a study regarding the construction and management of the LOSSAN North Corridor. Their proposal and presentation was thorough and better addressed the key issues outlined in the scope of work than did the other proposers.



# REPORT

**DATE:** August 30, 2007  
**TO:** Administration Committee and Regional Council  
**FROM:** Wayne Moore, CFO, [moore@scag.ca.gov](mailto:moore@scag.ca.gov), 213.236.1804  
**SUBJECT:** FY 2008-2009 Comprehensive Budget Development

**EXECUTIVE DIRECTOR'S APPROVAL:**



**RECOMMENDED ACTION:**

Approve the FY 2008-2009 Comprehensive Budget Development Schedule

**BACKGROUND:**

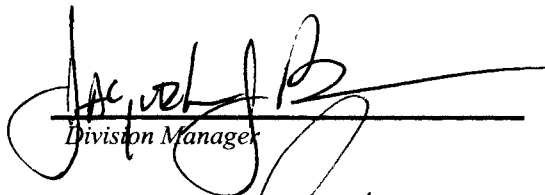
A schedule for the development of the FY 2008-2009 comprehensive budget has been completed. This attached schedule accommodates all federal and state guidelines and shows the dates of action required by SCAG management and staff, the Regional Council, the Inter-modal Planning Group, FHWA and Caltrans.

As a Metropolitan Planning Organization, SCAG is required to develop an annual Overall Work Program (OWP). The OWP is developed and represents a major part of the comprehensive budget, which is funded by FHWA and FTA. The comprehensive budget will include the OWP and all other Federal and State grant program budgets, the General Fund, and the Indirect Cost Allocation Plan (ICAP) and budgets. Completion of these tasks takes a significant amount of time and coordination. To ensure that all SCAG, Caltrans and FHWA due dates are met; a schedule has been developed to keep the process on track. Distribution of the schedule will assist the Regional Council, sub regions, Caltrans, FHWA and SCAG in knowing what the schedule dates are during the development period.

**FISCAL IMPACT:**

There is no fiscal impact to the FY07-08 Comprehensive Budget.

Reviewed by:

  
Division Manager

Reviewed by:

  
Chief Financial Officer

**DRAFT**  
**FY 2008-09 Comprehensive Budget Development Schedule**

<b>Task</b>	<b>Agency</b>	<b>Completion Date 2008-09</b>	
Management approves Draft Schedule	SCAG	August 20, 2007	Management Action
Draft Schedule mailed to RC	SCAG	August 20, 2007	
Draft Schedule is approved	RC	August 30, 2007	RC Action
Discuss/establish priorities with subregions	SCAG & Subregions	September 20, 2007	
RC approves priorities	RC	October 4, 2007	RC Action
Subregional & staff projects requested	SCAG	October 8, 2007	
Subregional OWP training	SCAG & Subregions	October 10, 2007	
Subregional project proposal write-ups due	Subregions	November 13, 2007	
Staff project proposal write-ups due	SCAG	November 13, 2007	
Project selection completed	SCAG	December 6, 2007	
Draft OWP/Comprehensive Budget document completed	SCAG	January 21, 2008	
Draft OWP/Comprehensive Budget is finalized/RC Workshop	SCAG	February 7, 2008	
Indirect Cost Allocation Plan sent to Caltrans	SCAG	February 28, 2008	
RC approves release of Draft OWP for comment	RC	March 7, 2008	RC Action
RC Approves Indirect Cost Budget Allocation Plan and GF	RC	March 7, 2008	RC Action
Draft OWP released for public comment	SCAG	March 7, 2008	
Draft OWP sent to Caltrans	SCAG	March 7, 2008	
Public comment period closes	SCAG	April 4, 2008	
Receive Caltrans comments on Draft OWP	SCAG	April 7, 2008	
Responses to public comments completed	SCAG	April 14, 2008	
Finalize OWP based on comments	SCAG	April 21, 2008	
Print and mail final OWP to RC	SCAG	April 21, 2008	
IPG meeting	All	April, 2008	
Submit Final OWP to Caltrans	SCAG	May 1, 2008	
RC approves Final OWP	RC	May 1, 2008	RC Action
GA approves GF Budget	GA	May 1, 2008	GA Action
Caltrans submits Final OWP for FHWA approval	Caltrans	June, 2008	
FHWA grants approval of OWP to Caltrans	FHWA	By 6/30/2008	FHWA Action
Caltrans approves SCAG OWP	Caltrans	By 6/30/2008	Caltrans Action

# MEMO

**DATE:** August 30, 2007  
**TO:** Administration Committee and  
Regional Council  
**FROM:** Wayne Moore, Chief Financial Officer, (213) 236-1804, moore@scag.ca.gov  
**SUBJECT:** Contracts and Purchase Orders between \$5,000 - \$250,000

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## RECOMMENDED ACTION:

Information Only

## BACKGROUND:

### SCAG executed the following Contract(s) between \$5,000 and \$250,000

- Consiliant Technologies \$179,330  
(Purchase and installation of Storage Area Network to support SCAG's on-going business operations)
- DMJM+Harris, Inc., \$113,216  
(Assess SCAG's operating environment, recommend a software scheduling solution, designed to help ensure that all SCAG planning activities are implemented in a well-managed and integrated manner)
- Nelson Nygaard Consulting Associates \$99,937  
(Conduct a feasibility review and implementation plan for intercity connector services between Burbank, Glendale and Pasadena)
- GTC Axiom Corporation \$99,670  
(Evaluate and recommend a regional system of new flyaways that show potential to support SCAG's Regional Aviation Decentralization Strategy)
- Iteris, Inc. dba Meyer, Mohaddes Associates \$73,714  
(Evaluate the highest priority action items in the 2003 North Los Angeles Truck Study (NCTS)).
- IBI Group \$35,401  
(Examine possibilities for providing public transportation services for the Quechan Indians)

### SCAG executed the following Purchase Order(s) between \$5,000 and \$250,000

- SBC Global Services, Inc. \$80,000  
(Open PO for data, voice & long distance service for FY 07/08)
- Office Depot Business Services Division \$60,000  
(Open PO for office supplies for FY 07/08)

# MEMO

• Geraldine Jaffe Attorney at Law (Human Resources Services)	\$50,000
• ESRI Institute, Inc. (Annual ArcInfo Software Maintenance Agreement)	\$23,225
• Sprint Spectrum, LP dba Sprint (Wireless Equipment & Service)	\$21,000
• County of Riverside – TMLA (Purchase of Parcel Property Characteristics)	\$15,000
• Lake Arrowhead Resort (2007 RC Retreat expense)	\$12,402
• CDW Government, Inc. (Business Objects Report Server Software)	\$11,879
• Typecraft Wood and Jones, Inc. (Printing SCAG business envelopes)	\$11,657
• Sparkletts (Open PO for beverage services for SCAG LA and Riverside offices)	\$11,000
• PlanetBids, Inc. (Support Service, Bid Management System for FY07/08)	\$11,000
• County of Ventura Assessor (Ventura County Parcel Characteristic file & monthly update)	\$10,624
• Rockware, Inc. (ArcView software license)	\$10,400
• Charette (HP DesignJet Production Plotter)	\$10,156
• Tech Depot (Open PO for miscellaneous computer supplies)	\$10,000
• City of San Fernando (Sub-regional Delegation Agreement)	\$10,000
• WRCOG (Aerial Imagery for County of Riverside)	\$9,942
• Veer, Inc. (Stock Photographic images for 08 RTP)	\$8,775
• Hasler, Inc. (Mailing system for SCAG mailing needs)	\$8,415
• JL Promotions, Inc. (Laser Pointer)	\$6,060
• Getty Images, Inc. (Stock Photographic images for 08 RTP)	\$6,031
• Federal Express (Open PO for FedEx package delivery services)	\$6,000
• USPS/Pitney Bowes (Open PO for SCAG postage requirements)	\$5000


# MEMO

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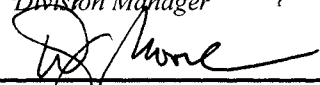
## FISCAL IMPACT:

None. Funding is available.

Reviewed by:

  
Division Manager

Reviewed by:

  
Chief Financial Officer

## **PURCHASE ORDER CONTRACT**

**Vendor:** Consiliant Technologies

**Scope:** The project is to install a SAN (Storage Area Network) of at least 10 TeraBytes (with 5 TB yearly growth), a complete Backup Solution, training, and data migration required to support SCAG's on-going business operations.

**P.O. Amount:** **FY-07 Total not to exceed** **\$179,330**

<b>Work Element:</b>	07-850.SCGS9	\$179,330	Funding Source: IC
	08-850.SCGS9	\$ 23,200	Funding Source: IC
	09-850.SCGS9	\$ 23,200	Funding Source: IC
	10-850.SCGS9	\$ 23,200	Funding Source: IC

**Request for Proposal:** SCAG staff notified 155 pre-qualified firms of the release of RFP No. 07-076. A total of 48 firms downloaded the RFP. The RFP was also posted on SCAG's bid management system. Seven (7) proposals were received in response to the solicitation:

(A)	(B)	(C)*	(D)
Proposer	Initial Offer	Revised Offer (Based SCAG's Revised Requirements)	Best & Final Offer
1. CDW-G	\$116,657	No response	N/A
2. Consiliant Technologies	\$271,291	\$150,520	\$179,330
3. EVT Corporation	\$344,681	\$322,624	NA
4. LanSolutions	\$184,884	\$162,365	\$181,815
5. Sarcom	\$283,990	N/A	N/A
6. Stack Computer Inc	\$702,675	\$324,773	N/A
7. Synegi, Inc.	\$113,988	\$129,655	\$0**

\* To enable an accurate comparison of offers and calculate the "Best & Final Offers" (column D above), SCAG staff added installation costs, as well as tax & shipping to the "Revised Offer" (column C).

\*\*Synegi's proposal was eliminated because it was considered insufficient for further consideration, in that it excluded the cost of certain components and maintenance, and had a low rating on technical approach.

**Selection Process:** The Proposal Review Committee (PRC) evaluated the seven (7) responsive proposals in accordance with the criteria set forth in the RFP, and the selection process was conducted in a manner consistent with all applicable Federal and State contracting regulations. The PRC was comprised of the following individuals:

Catherine Chavez, Manager of Information Technologies, SCAG  
Victor M.J. Ryden, Lead Systems Administrator, SCAG  
Javier Minjares, Senior Regional Planner, SCAG  
Thanh Nguyen, Sr. Programmer Analyst, Metropolitan Water District

After the initial proposal review, Sarcom's proposal was eliminated due to lack of responsiveness and overall poor quality.

A revised bid sheet based on SCAG's new/revised technology requirements (see explanation below) was distributed to the remaining six (6) proposers. Five (5) of the six proposers responded to the revised bid sheet. Of these, two (2) proposers were not interviewed because their prices were unacceptably high. The remaining three (3) proposers were interviewed. These three (3) proposers were asked to submit an estimated cost for expanding storage within six months. This was requested because of the expected rapid growth of SCAG's storage requirements for modeling and planning data within the next few years. The PRC based their final award recommendation on the proposals reviewed, the interview results, and the initial and future cost of the solution.

**Basis for Selection:**

The PRC committee recommends Consilant Technologies for the contract award due to the quality of the proposal, the vendor's expertise, the manufacturer's position in the industry, and it is estimated to provide the lowest cost for future storage expansion.

The selection was completed in multiple phases: review of initial proposals, technology selection, review of updated proposals based on technology selection, comparison of initial and future costs, and final vendor selection. After reviewing proposals during the first phase, the PRC decided to limit the selection to iSCSI (network based) storage technology as opposed to the fiber-based solutions proposed by some of the vendors. This decision was made due to lower cost, ease of administration and adequate performance of iSCSI for SCAG's requirements.

The PRC proceeded to the pricing phase by requesting bids from the six (6) vendors based on these new requirements for an iSCSI system configuration, including various options for increased capability. Five (5) responses were received and evaluated against several criteria, including price, the quality of solution, compliance to requirements, and software capabilities. Two (2) vendors, EVT Corporation and Stack Computer, were eliminated due to high price. Of the remaining three (3) solutions, Synegi's proposal was eliminated based on incomplete responses for the cost of certain components and maintenance, and a lower rating on technical approach. While LAN Solutions was the second lowest initial cost, the cost of adding storage was over double the amount quoted by Consilant.

In conclusion, Consiliant's solution was determined to be the highest value to SCAG, i.e., a high quality of technology and services combined with the lowest reasonable cost for initial and future needs.



## **CONSULTANT CONTRACT**

**Consultant:** DMJM + Harris, Inc.

**Scope:** SCAG seeks to retain the services of Consultant to assess SCAG's operating environment, recommend a software solution, implementing the software solution, designed to help ensure that all SCAG planning activities are implemented in a disciplined, well-managed, consistent, coordinated and integrated manner so that:

- Projects are completed within prescribed budgets and schedules.
- Project deliverables support federal and state mandated planning program deadlines.
- SCAG realizes the Regional Council's program outcome expectations.

In summary SCAG seeks a consultant with strong scheduling expertise and experience.

<b>Contract Amount:</b>	<b>Total not to exceed</b> DMJM+Harris, Inc. (prime)	<b>NTE \$113,216 Annually</b> (No subcontractors)
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	<b>Total contract value</b>	<b>NTE \$113,216 Annually</b>
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**Contract Period:** June 25, 2007 through June 30, 2008

<b>Work Element:</b>	07-820.SCGC1-- \$13,216	(Funding source: FTA)
	08-120.SCGC1 -- \$100,000	(Funding source: FTA)

**Request for Proposal:** SCAG staff mailed postcards to 847 pre-qualified firms on SCAG's bidders list to notify them of the release of RFP No. 08-001. A total of 107 firms downloaded the RFP. The RFP was also posted on SCAG's web site. The following 5 proposals were received in response to the solicitation:

<b>DMJM Harris</b>	<b>\$113,216</b>
Bluecrane, Inc	\$114,300
KJM & Associates	\$361,416
Marsh Consulting	\$113,050
RNR Consulting	\$105,850

**Selection Process:** The Proposal Review Committee (PRC) evaluated all 5 proposals in accordance with the criteria set forth in the RFP, and the selection

process was conducted in a manner consistent with all applicable Federal and State contracting regulations. Interviews were not required because the project scope was self explanatory.

The PRC was composed of the following individuals:

Wayne Moore, Chief Financial Officer, SCAG  
Hassan Ikhata, Director of Planning, SCAG  
Leyton Morgan, Manager of Contracts, SCAG  
Jacqueline Bobo, Budget manager, SCAG  
Basil Panas, Accounting Manager, SCAG

**Basis for Selection:**

The PRC reached consensus that DMJM is the best fit for SCAG's current and forecasted needs and therefore recommends DMJM for contract award. The PRC also recommends DMJM for contract award because the firm's proposal demonstrated a superior understanding of SCAG's scheduling issues. Additionally, the PRC felt DMJM demonstrated the best expertise in performing scheduling activities for relevant organizations than did the other firms. Lastly, the PRC felt DMJM's proposed price provided an excellent value (although RNR and Marsh proposed a slightly lower price, RNR's proposal did not demonstrate the required experience, and Marsh's proposal did not demonstrate the same level of relevant experience compared to DMJM's).

## **CONSULTANT CONTRACT**

**Consultant**

Nelson Nygaard Consulting Associates

**Scope:**

Arroyo Verdugo Subregion and SCAG wish to obtain consultant assistance to conduct a feasibility review and implementation plan for intercity connector services between Burbank, Glendale and Pasadena. The project is known as the Tri-City Corridor Study. The goal of the project is to study the feasibility of linking regional activity and employment centers, using high capacity express/rapid bus transit services to reduce traffic congestion and improve regional mobility. Also it is to study the feasibility of using Intelligent Transportation System (ITS) technology within the corridor to achieve better operational performance, including speed and reliability, and to provide "real time" customer information to improve ridership and ease of transfers. The study will identify enhancements of a local transit services to implement a feeder transit network to the proposed corridor service, and enhanced connections to the Gold Line in Pasadena and the Red Line Subway and Orange Line BRT systems in North Hollywood.

<b>Contract Amount:</b>	<b>Total not to exceed</b>	<b>\$99,937</b>
	Nelson Nygaard	\$73,998
	Iteris (dba Meyer Mohades)	\$25,939

<b>Contract Period:</b>	August 23, 2007 through January 31, 2008
<b>Work Element:</b>	07-140.AVGC1    \$124,967    Funding Source: FTA

**Request for Proposal:** A bid alert notice for RFP 07-081 was emailed to 444 consultants, and the RFP was posted on SCAG's bid management system. A total of 72 firms downloaded the RFP. The following five consultant(s) responded to the RFP:

Nelson Nygaard	\$99,937
IBI Group	\$100,000
Iteris (dba Meyer Mohades)	\$99,597
Katz, Okitsu & Associates	\$99,555
Diversified Transportation Solutions	\$87,405

**Selection Process:** The Proposal Review Committee (PRC) evaluated all five proposals in accordance with the criteria set forth in the RFP, and the selection process was conducted in a manner consistent with all applicable Federal and State contracting regulations. Interviews were held with all five proposers.

The PRC was comprised of the following individuals:

Greg Hermann, Transportation Planner, City of Burbank  
Valerie Gibson, Planner, City of Pasadena  
Rebecca Granite-Johnson, Executive Analyst, City of Glendale  
Charles Lau, Transportation Planner, Caltrans District 7  
Mike Jones, Transportation Planner, SCAG

**Basis for Selection:**

The PRC recommends Nelson Nygaard because they have completed extensive work in the Arroyo Verdugo Subregion. (i.e., Cities of Pasadena and Glendale). For example, they completed transit oriented development and parking for both previously mentioned cities. Furthermore, in 2001, Nelson Nygaard completed the Los Angeles Transit Impact Study which analyzed the impact of development on public transit in Los Angeles. Finally their innovative approach in developing a “Blue Ribbon” committee was a key factor in the PRC’s decision to award the contract to Nelson Nygaard. This Blue Ribbon Committee is comprised of elected officials or City Managers, major employers and developers that have a stake on the corridor’s travel needs.

## **CONSULTANT CONTRACT**

### Regional HOV/Flyaway Study

**Consultant:** GTC Axiom Corporation

**Scope:** The region covered by the Southern California Association of Governments, known as the SCAG Region, includes the counties of Los Angeles, Orange, Riverside, San Bernardino, Ventura and Imperial. Within those counties reside ten established or emerging air carrier airports: Los Angeles International, Ontario International, Burbank, Long Beach, John Wayne, Palm Springs, Palmdale, March Inland Port, San Bernardino International, and Southern California Logistics. Most of the established airports are in urban locations and are subject to significant physical or legally enforceable capacity constraints. The agency's adopted 2004 Regional Transportation Plan (RTP) contains a Regional Aviation Element that recommends strategies for decentralizing passenger service to the emerging airports, which are generally located in suburban areas and have room to expand. This is essential for the region to be able to serve forecast regional aviation demand, and secure the economic benefits and global economic competitiveness associated with serving that demand.

The purpose of this project is to evaluate and recommend a regional system of new flyaways that show high potential to support SCAG's Regional Aviation Decentralization Strategy, by facilitating reliable access to suburban airports in the Inland Empire and North Los Angeles County for air travelers in the urban areas of Los Angeles and Orange counties. The evaluation will first assess the ability of the eight new flyaways being proposed by Los Angeles World Airports to serve LAX (in addition to the two existing flyaways at Van Nuys and Union Station) to also serve passenger demand to other airports including Ontario, Palmdale, San Bernardino International and Palm Springs. Additional locations for potential new flyways in the region will also be identified and assessed, with emphasis on locations that can take maximum advantage of airport access provided by the region's existing and planned high-occupancy-vehicle (HOV) and light, heavy and high-speed rail systems.

<b>Contract Amount:</b>	<b>Total not to exceed</b>	<b>\$99,670</b>
	GTC Axiom	\$99,670

**Contract Period:** July 11, 2007 through June 30, 2008

<b>Work Element:</b>	07-060.SCGC2	\$99,670	Funding Sources: Consolidated Planning Grant – FHWA & FTA
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**Request for Proposal:**

SCAG staff notified 589 firms of the release of RFP No. 07-071. The RFP was also posted on the Urban Transportation Monitor's website (lawleypublication.com), American Planning Association's website, and SCAG bid management system. A total of 56 firms downloaded the RFP. The following proposal was received in response to the solicitation:

GTC Axiom (no subcontractors) \$99,670

**Selection Process:**

The Proposal Review Committee (PRC) evaluated this proposal in accordance with the criteria set forth in the RFP, and the selection process was conducted in a manner consistent with all applicable Federal and State contracting regulations.

The PRC was comprised of the following individuals:

Barbara Martinoff, Chief Program Analyst, LA World Airports  
Jennifer Piccul, Transportation Engineer, Caltrans Dist. 7  
Michael Armstrong, Aviation Program Manager, SCAG  
Bob Huddy, Transit Program Manager, SCAG

**Basis for Selection:**

The PRC committee recommends GTC Axiom for the contract award because of the firm's qualifications to fulfill the requirements of the project. They are committed to completing the project by June 30, 2008. They will be able to do this since the integrated aviation demand and ground access model they will employ in the study (RADAM) is calibrated with current passenger survey data, updated regional traffic data including recent ground counts, and updated transportation facility inventories. It also has been calibrated with 2035 demographic, land use and traffic forecasts developed by SCAG. The RADAM model has been adapted to SCAG's transportation zonal system and is fully integrated with SCAG's regional transportation (TRANPLAN) model. It also incorporates currently funded and programmed transportation projects in the Regional Transportation Improvement Program, and planned projects in the 2004 RTP, including high-occupancy-vehicle (HOV) and high-speed rail projects (projects incorporated in the model will be updated when 2008 RTP projects are available). Consequently, no lengthy experimentation, calibration or validation processes will be needed to prepare the RADAM model for use in this study.

CTC axiom staff have performed a considerable amount of aviation modeling work for SCAG in the past and is very knowledgeable about key aviation issues facing the region. They have performed state-of-the-art aviation demand modeling and forecasting work for SCAG's 1998, 2001, and 2004 RTPs, and developed the aviation ground access element for the 2004 RTP. They have also participated in a number of specialized SCAG transportation studies including high-speed rail demand studies. The modeling work completed for

the Regional HOV/Flyaway Study will be entirely consistent with the adopted regional aviation forecast and aviation ground access element in the 2008 RTP, since GTC Axiom staff is completing that work for SCAG under another contract.

Lastly, GTC Axiom staff has participated in a number of HOV study projects in the region including the original planning of HOV candidate routes and their ranking in the early 1990's. The Axiom project manager developed the original mode choice impact techniques used for ranking of HOV projects proposed by Caltrans, SCAG and other agencies.

## **CONSULTANT CONTRACT**

**Consultant:** Iteris, Inc. dba Meyer, Mohaddes Associates

**Scope:** The City of Palmdale, in association with the Southern California Association of Governments (SCAG), is requesting consultant services to assist in the preparation of a study to analyze several truck-related issues in North Los Angeles County (NLACO).

The purpose of this study is to respond to and evaluate the highest priority action items identified Section VII of the 2003 North Los Angeles Truck Study (NCTS). This includes the identification of existing conditions, specifically truck counts and truck turning movements at key locations, evaluation of placement and condition truck signage (e.g. reflectivity, etc.), evaluation of truck trips originating from, and ending at, the Ports of Los Angeles and Long Beach and Southern California Logistics Airport. The study will also identify potential locations for truck stops, rest stops, and combined overnight street truck parking to accommodate truckers, impacts on truckers during times of inclement weather (e.g. snow, sleet, etc.) and potential route alternatives for truckers in the event of such incidents with a specific focus on 1-5, SR 14, SR 138 and other major, regionally-significant arterials located within the subregion. Further, the study shall provide recommendations for improved practices related truck planning and goods movement for the subregion, determine the subregion's legal compliance with local, state, and federal laws and guidelines pertaining to trucks, and consider the potential impacts and effects of existing and planned ITS measures on truckers. Lastly, the consultant will also present the findings to NLACO subregional members for review and discussion.

<b>Contract Amount:</b>	<b>Total not to exceed</b>	<b>\$73,714</b>
	Iteris, Inc. dba Meyer, Mohaddes Associates (prime)	\$73,714

**Contract Period:** Notice to Proceed – 06/30/08

**Work Element:** 07-060.NLAC1      **\$73,714**      Funding Sources: FTA

**Request for Proposal:** SCAG staff notified 434 pre-qualified firms of the release of RFP No. 07-079. A total of 28 firms downloaded the RFP. The RFP was also advertised on Lawley Publications' website, the Planning Magazine's website, and posted on SCAG's bid management system. The following two proposals were received in response to the solicitation:

Iteris, Inc.	\$73,714
Katz, Okitsu & Associates	\$74,925



**Selection Process:**

The Proposal Review Committee (PRC) evaluated the two proposals in accordance with the criteria set forth in the RFP, and the selection process was conducted in a manner consistent with all applicable Federal and State contracting regulations. Interviews were held with both offerors.

The PRC was comprised of the following individuals:

Vin Kumar, Senior Transportation Engineer, Caltrans, District 7  
Mario Enriquesz, Associate Traffic Engineer, City of Lancaster  
Mike Behen, Senior Transportation Planner, City of Palmdale  
Ian Pari, Senior Traffic Engineer, City of Santa Clarita  
Mike Jones, Assistant Transportation Planner, SCAG  
Tom Horne, Assistant Traffic Engineer, City of Palmdale

**Basis for Selection:**

The PRC committee recommends Iteris, Inc. dba Meyer, Mohaddes Associates for the contract award because of the firm's qualifications to fulfill the requirements of the project.

Iteris possesses extensive previous experience with numerous local truck and goods movement studies. Their portfolio clearly demonstrated extensive expertise in understanding key goods movement issues facing the region and their ability to conduct and complete this project. Studies completed by Iteris with similar scopes includes:

- The South Bay Cities Truck Movement/Freight Operations Study which identified freight transportation conditions, issues, and opportunities related to goods movement activities for the South Bay and involved extensive stakeholder outreach.
- The Gateway Cities I-710 Mobility and Goods Movement was an analysis of transportation infrastructure needs which resulted in the development of a Strategic Transportation Investment Portfolio.
- The Gateway Cities Trucking Study was an analysis of trucking in the Gateway Cities examining truck volumes, safety issues, congestion, and environmental impacts and the economic benefits of trucking.
- The Orange County Goods Movement Study was a comprehensive overview of all goods movement issues in the County addressing commodity flows, truck movements on arterial and freeways, truck related accidents and incidents, industrial land uses, rail grade crossing impacts and other related issues.

Iteris also has modeling experience with SCAG's Heavy Duty Truck Model and Regional Travel Demand Model, and participated in SCAG's 1998 Heavy Duty Truck Model (HDT) and VMT Estimation study. The study intended to develop a methodology and computer

model components to be integrated with the model's travel patterns, traffic volumes, vehicle miles of travel (VMT), and resultant emissions for the SCAG region. This experience should prove valuable to the completion of this study, especially in identifying the relationship between goods movement activities and subregion as an origin/destination for truck trips.

The overall timeline and budgets proposed by both Iteri and Katz, Okitsu and Associates were suitable to the requests outlined in the scope of work. However, the amount of money to be used for public outreach by Katz, Okitsu and Associates seemed high. Further, the study methodology and approach identified in Iteris' proposal was more detailed and included specific steps and deliverables than did Katz, Okitsu and Associates. Katz, Okitsu and Associates did not provide thorough detail on the tasks to be performed in the study and how the tasks noted would be completed. Iteris outlined a methodology for data collection, specifically truck counts, more clearly than Katz, Okitsu and Associates. Katz, Okitsu and Associates failed to detail how traffic count data would be collected and appeared to allocate too little time for the activity while Iteris had a reliable subcontractor slated to perform counts. Additionally, the PRC had some concern about the involvement of the Principal for Katz, Okitsu and Associates in the study. Iteris clearly demonstrated its ability to complete tasks such as conducting traffic counts within the timeline at a reasonable cost.

Lastly, Iteris conducted the NCTS Phase I, a precursor to this study. As a result, they are highly knowledgeable of the geographical characteristics in the area, as well as the truck travel and goods movement related issues facing the area. Iteris has a very well qualified staff assigned to this project, which is critical to the quality and timely completion of the study. While both firms could likely complete the study, it was concluded that Iteris is more able to fulfill overall objectives of this study, and should be awarded a contract to complete the study.

## **CONSULTANT CONTRACT**

**Consultant:** IBI Group

**Scope:** The Fort Yuma-Quechan Reservation is home to the Quechan Indian Tribe. Located west of the Colorado River on the borders of Arizona, California, and Mexico, the reservation is approximately 45,000 acres in size and is home to 1,487 tribal members (3,194 total enrolled Quechan Tribal members). Yuma, Arizona, an urban city of nearly 95,000 people, lies south of this general area. Agriculture, tourism, and tourist-related businesses (casino gaming) largely contribute to the area's economic base as Interstate 8 carries approximately 8 million travelers within one mile of these opportunities.

The intent of this project is to provide needed public transportation services between the rural community in California, and the urbanized environment in Yuma, Arizona. The public transportation connector services provide means for the rural community to commute to the urban environ for employment, medical appointments, shopping, education, and other services. As part of the feasibility review, assessment of potential park-and-ride facility locations and bus stops will be necessary.

<b>Contract Amount:</b>	<b>Total not to exceed</b>	<b>\$35,401</b>
	IBI Group (Prime)	\$35,401

July 19, 2007 through June 30, 2008

<b>Work Element:</b>	07-210.SCGC1 - \$35,401	Funding Source: FTA 5305
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**Request for Proposal:** SCAG staff notified 262 firms of the release of RFP No. 07-078. The following two proposals were received in response to the solicitation:

IBI Group (no subcontractor)	\$35,401
Diversified Transportation Solutions (no subcontractor)	\$34,656

**Selection Process:** The Proposal Review Committee (PRC) evaluated both proposals in accordance with the criteria set forth in the RFP, and the selection process was conducted in a manner consistent with all applicable Federal and State contracting regulations.

The PRC comprised of the following individuals:

Andre Darmanin, Regional Transit Planner, SCAG

Kathi Williams, Executive Analyst, IVAG  
Paul Melcher, Transportation Planner, Yuma MPO  
Farnaz Badiei, Transportation Planner, Caltrans District 11

**Basis for Selection:**

The PRC committee's unanimous recommendation to award to the IBI Group was based upon the firm's strong qualifications to fulfill the requirements of the project. The IBI Group offered a strong professional team, with a broad skill and experience pool in transit planning. The IBI Group has had previous experience on numerous projects of a similar nature, and demonstrated their knowledge of the study area. The IBI Group also showed a stronger understanding of the issues associated with rural transit services, including potential demand, operations, costs, and funding.

# REPORT


**DATE:** August 30, 2007

**TO:** Administrative Committee

**FROM:** Douglas Kim, SCAG Consultant; [kimd@scag.ca.gov](mailto:kimd@scag.ca.gov), (213) 236-1967

**SUBJECT:** Regional Comprehensive Plan Sustainability Conference

**EXECUTIVE DIRECTOR'S APPROVAL:**



**RECOMMENDED ACTION:**

Co-fund \$10,000 toward the cost of hosting a Regional Comprehensive Plan Sustainability Conference in January 2008.

**BACKGROUND:**

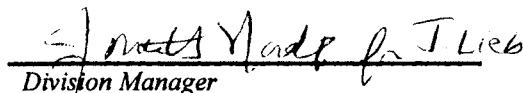
The pending update to the Regional Comprehensive Plan (RCP) will lay out a vision for how Southern California can achieve sustainability in nine areas of policy, including Transportation, Land Use and Housing, Water, Air Quality, Solid Waste, Energy, Open Space, Economy, and Security and Emergency Preparedness.

Staff proposes a one-day conference in January to highlight the challenges and opportunities associated with the RCP and sustainability mandates from AB 32. Speakers would include high-profile leaders active in developing sustainable policies and programs associated with natural resources, the economy, and quality-of-life initiatives. Invited attendees would include Regional Council and policy committee members, other elected officials, and other public and private sector stakeholders involved with transportation, land use, economy, security, water, solid waste, air quality, and other resource planning industries.

**FISCAL IMPACT:**

The co-sponsorship budget is captured in the approved FY07-08 General Fund Budget within work element 08-800.SCGS9. Any additional funding requirements will be secured through sponsorships and conference registration.

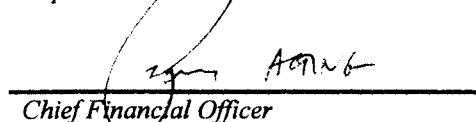
Reviewed by:

  
Division Manager

Reviewed by:

  
Department Director

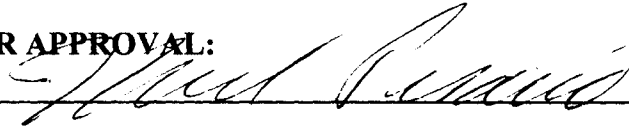
Reviewed by:

  
Chief Financial Officer

# REPORT

**DATE:** August 30, 2007  
**TO:** Executive Committee  
**FROM:** Wayne Moore, Chief Financial Officer, 213-236-1804  
**SUBJECT:** Contract Manual Amendment

**EXECUTIVE DIRECTOR APPROVAL:**



**RECOMMENDED ACTION:**

Amend sections 8.1.1 (Formal Request for Proposal/Bid) and 8.1.2 (Informal Request for Proposal/Bid) of the SCAG Contract Manual to establish specific policy to govern contracts funded from the General Fund.

**BACKGROUND:**

The current SCAG Contract Manual does not specifically address a policy that governs contracts funded from the General Fund. With recent and future potential contracting needs, staff recommends the Regional Counsel formalize a policy that will be consistent with existing policy for contracts funded from Consolidated Planning Grant (CPG) funds, FHWA and FTA and state funded grants.

If approved, staff would amend the previously mentioned sections of the SCAG Contract Manual to add the following text effective with the beginning of FY07/08:

The Regional Council, through its President, shall have the authority to award contracts up to \$25,000 and amend the same up to \$10,000, without competition. Staff will report the award and any amendments of these contracts as information items on the Administration Committee and Regional Council Agenda's.

The award of a contract with an estimated value greater than \$25,000 but less than \$100,000 shall be accomplished by obtaining a minimum of three (3) written quotes from qualified suppliers/vendors. Staff will report the award of these contracts as information items on the Administration Committee and Regional Council Agenda's.

Excluding noncompetitive contracts, the Regional Counsel through its President can amend a contract up to 30% of the contract's original value. These amendments will be reported as information items on the Administration Committee and Regional Council Agendas. Any amendment(s) with an aggregate amount that adds up to more than 30% of the contract's original value requires Regional Council approval prior to amending the contract.

# REPORT

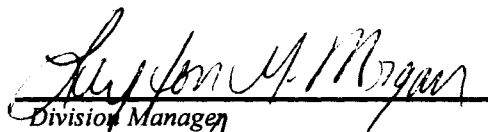
All other contracts shall be competitively procured in accordance with the section 8.1 Formal Request for Proposal/Bid. Staff will report the award of contracts exceeding \$100,000, but less than \$250,000, as information items on the Administration Committee and Regional Council Agenda's. Contracts exceeding \$250,000 must be approved by the Regional Council.

In all other respects contracts funded from the General fund will comply with policies set forth in SCAG's Contract Manual.

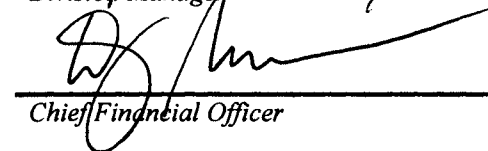
## FISCAL IMPACT:

None.

Reviewed by:

  
Division Manager

Reviewed by:

  
Chief Financial Officer

# REPORT

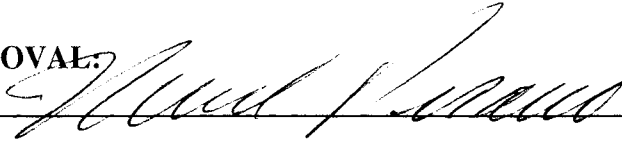
**DATE:** August 30, 2007

**TO:** Investment Subcommittee, Administration Committee

**FROM:** Wayne Moore, CFO, 213-236-1804, moore@scag.ca.gov

**SUBJECT: IMPLEMENTATION REGARDING GASB 45 IRREVOCABLE TRUST**

**EXECUTIVE DIRECTOR'S APPROVAL:**



**RECOMMENDED ACTION:**

Recommend that the Administration Committee approve the following documents relating to the implementation of the Governmental Accounting Standards Board Statement No. 45 (GASB 45) Irrevocable Trust:

- (1) Agreement and Election to Prefund Other Post Employment Benefits with CalPERS; and the
- (2) Resolution No. 07-490-1 providing for the Delegation of Authority to Request Disbursements.

**BACKGROUND:**

On July 12, 2007, the Regional Council accepted the joint recommendation of the Audit and Personnel Committees to establish an irrevocable trust to accumulate funding for SCAG's Other Post Employment Benefits (OPEB) to address GASB 45 requirements.

SCAG contracts with CalPERS for employee health benefits under the Public Employees' Medical and Hospital Care Act (PEMHCA) and is thus able to use the California Employers' Retiree Benefit Trust (CERBT) Fund. This is an investment vehicle for prefunding future OPEB costs.

The CERBT Fund is a Section 115 trust set up for the purpose of receiving employer contributions that will prefund OPEB costs for retirees and their beneficiaries. CalPERS has 75 years experience in administering employer-sponsored plans; they have administered public employee pension plans since 1932. Over the past twenty years, the average annual rate of return on investments was 10%. CalPERS charges lower administrative fees than the private sector. Over the past ten years, the average annual cost of managing the pension fund at CalPERS was 0.25 percent of assets. Private sector money managers charge 1% or more.

To participate in the CalPERS CERBT Fund, SCAG must:

- (a) Obtain an actuarial valuation using the actuarial assumptions and methods prescribed by CalPERS;
- (b) Adopt and execute the attached Agreement and Election to Prefund Other Post Employment Benefits;
- (c) Adopt the attached Resolution regarding the delegation of authority to request disbursements from SCAG's prefunding plan; and
- (d) Submit the Agreement, Resolution and the valuation to CalPERS for approval.



# REPORT

The minimum contribution is the lesser of \$5,000 or the amount of the annual required contribution (ARC). The ARC is the actuarially determined amount that if set aside, will in time, satisfy the cost of all benefits promised. Employers are not required to fund the entire amount of the ARC. Contributions will be accepted seven days after the date the Agreement and Election to Prefund is approved by CalPERS.

## FISCAL IMPACT:

The ARC for increasing SCAG's retiree medical contribution 2% triennially is \$579,000. This is \$206,000 more than the pay-as-you-go amount of \$373,000 budgeted in FY08. The FY08 budget also includes \$30,000 for actuarial services.

Reviewed by:

\_\_\_\_\_  
*Division Manager*

Reviewed by:

*[Signature]*  
\_\_\_\_\_  
*Chief Financial Officer*

**CALIFORNIA EMPLOYER'S RETIREE BENEFIT TRUST PROGRAM ("CERBT")**

**AGREEMENT AND ELECTION  
OF**

**SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG)**

---

**(NAME OF EMPLOYER)**

---

**TO PREFUND OTHER POST EMPLOYMENT  
BENEFITS THROUGH CalPERS**

WHEREAS (1) Government Code Section 22940 establishes in the State Treasury the Annuitants' Health Care Coverage Fund for the prefunding of health care coverage for annuitants (Prefunding Plan); and

WHEREAS (2) The California Public Employees' Retirement System (CalPERS) Board of Administration (Board) has sole and exclusive control and power over the administration and investment of the Prefunding Plan (sometimes also referred to as CERBT), the purposes of which include, but are not limited to (i) receiving contributions from participating employers and establishing separate Employer Prefunding Accounts in the Prefunding Plan for the performance of an essential governmental function (ii) investing contributed amounts and income thereon, if any, in order to receive yield on the funds and (iii) disbursing contributed amounts and income thereon, if any, to pay for costs of administration of the Prefunding Plan and to pay for health care costs or other post employment benefits in accordance with the terms of participating employers' plans; and

WHEREAS (3) SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG)  
**(NAME OF EMPLOYER)**

(Employer) is a contracting agency under the Public Employees' Medical and Hospital Care Act (PEMHCA) administered by the Board, and desires to participate in the Prefunding Plan upon the terms and conditions set by the Board and as set forth herein; and

WHEREAS (4) Employer may participate in the Prefunding Plan upon (i) approval by the Board and (ii) filing a duly adopted and executed Agreement and Election to Prefund Other Post Employment Benefits (Agreement) as provided in the terms and conditions of the Agreement; and

WHEREAS (5) The Prefunding Plan is a trust fund that is intended to perform an essential governmental function within the meaning of Section 115 of the Internal Revenue Code as an agent multiple-employer plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 43 consisting of an aggregation of single-employer plans, with pooled administrative and investment functions;

NOW, THEREFORE, BE IT RESOLVED THAT EMPLOYER HEREBY MAKES THE FOLLOWING REPRESENTATION AND WARRANTY AND THAT THE BOARD AND EMPLOYER AGREE TO THE FOLLOWING TERMS AND CONDITIONS:

**A. Representation and Warranty**

Employer represents and warrants that it is a political subdivision of the State of California or an entity whose income is excluded from gross income under Section 115 (1) of the Internal Revenue Code.

**B. Adoption and Approval of the Agreement; Effective Date; Amendment**

(1) Employer's governing body shall elect to participate in the Prefunding Plan by adopting this Agreement and filing with the CalPERS Board a true and correct original or certified copy of this Agreement as follows:

Filing by mail, send to:      CalPERS Employer Services Division  
   P.O. Box 942709  
   Sacramento, CA 94229-2709

Filing in person, deliver to:      CalPERS Mailroom  
   Attn: Employer Services Division  
   400 Q Street  
   Sacramento, CA 95814

(2) Upon receipt of the executed Agreement, and after approval by the Board, the Board shall fix an effective date and shall promptly notify Employer of the effective date of the Agreement.

(3) The terms of this Agreement may be amended only in writing upon the agreement of both CalPERS and Employer, except as otherwise provided herein. Any such amendment or modification to this Agreement shall be adopted and executed in the same manner as required for the Agreement. Upon receipt of the executed amendment or modification, the Board shall fix the effective date of the amendment or modification.

(4) The Board shall institute such procedures and processes as it deems necessary to administer the Prefunding Plan, to carry out the purposes of this Agreement, and to maintain the tax exempt status of the Prefunding Plan. Employer agrees to follow such procedures and processes.

### C. Actuarial Valuation and Employer Contributions

(1) Employer shall provide to the Board an actuarial valuation report on the basis of the actuarial assumptions and methods prescribed by the Board. Such report shall be for the Board's use in financial reporting, shall be prepared at least as often as the minimum frequency required by GASB Statement No. 43, and shall be:

- (a) prepared and signed by a Fellow or Associate of the Society of Actuaries who is also a Member of the American Academy of Actuaries or a person with equivalent qualifications acceptable to the Board;
- (b) prepared in accordance with generally accepted actuarial practice and GASB Statement Nos. 43 and 45; and,
- (c) provided to the Board prior to the Board's acceptance of contributions for the valuation period or as otherwise required by the Board.

(2) The Board may reject any actuarial valuation report submitted to it, but shall not unreasonably do so. In the event that the Board determines, in its sole discretion, that the actuarial valuation report is not suitable for use in the Board's financial statements or if Employer fails to provide a required actuarial valuation, the Board may obtain, at Employer's expense, an actuarial valuation that meets the Board's financial reporting needs. The Board may recover from Employer the cost of obtaining such actuarial valuation by billing and collecting from Employer or by deducting the amount from Employer's account in the Prefunding Plan.

(3) Employer shall notify the Board of the amount and time of contributions which contributions shall be made in the manner established by the Board.

(4) Employer contributions to the Prefunding Plan may be limited to the amount necessary to fully fund Employer's actuarial present value of total projected benefits, as supported by the actuarial valuation acceptable to the Board. As used throughout this document, the meaning of the term "actuarial present value of total projected benefits" is as defined in GASB Statement No. 45. If Employer's contribution causes its assets in the Prefunding Plan to exceed the amount required to fully fund the actuarial present value of total projected benefits, the Board may refuse to accept the contribution.

(5) Any Employer contribution will be at least \$5000 or be equal to Employer's Annual Required Contribution as that term is defined in GASB Statement No. 45. Contributions can be made at any time following the seventh day after the effective date of the Agreement provided that Employer has first complied with the requirements of Paragraph C.

#### D. Administration of Accounts, Investments, Allocation of Income

- (1) The Board has established the Prefunding Plan as an agent plan consisting of an aggregation of single-employer plans, with pooled administrative and investment functions, under the terms of which separate accounts will be maintained for each employer so that Employer's assets will provide benefits only under employer's plan.
- (2) All Employer contributions and assets attributable to Employer contributions shall be separately accounted for in the Prefunding Plan (Employer's Prefunding Account).
- (3) Employer's Prefunding Account assets may be aggregated with prefunding account assets of other employers and may be co-invested by the Board in any asset classes appropriate for a Section 115 Trust.
- (4) The Board may deduct the costs of administration of the Prefunding Plan from the investment income or Employer's Prefunding Account in a manner determined by the Board.
- (5) Investment income shall be allocated among employers and posted to Employer's Prefunding Account as determined by the Board but no less frequently than annually.
- (6) If Employer's assets in the Prefunding Plan exceed the amount required to fully fund the actuarial present value of total projected benefits, the Board, in compliance with applicable accounting and legal requirements, may return such excess to Employer.

#### E. Reports and Statements

- (1) Employer shall submit with each contribution a contribution report in the form and containing the information prescribed by the Board.
- (2) The Board shall prepare and provide a statement of Employer's Prefunding Account at least annually reflecting the balance in Employer's Prefunding Account, contributions made during the period and income allocated during the period, and such other information as the Board determines.

#### F. Disbursements

- (1) Employer may receive disbursements not to exceed the annual premium and other costs of post employment healthcare benefits and other post employment benefits.
- (2) Employer shall notify CalPERS in writing in the manner specified by CalPERS of the persons authorized to request disbursements from the Prefunding Plan on behalf of Employer.

1. Personal delivery. When personally delivered to the recipient. Notice is effective on delivery.
2. First Class Mail. When mailed first class to the last address of the recipient known to the party giving notice. Notice is effective three delivery days after deposit in a United States Postal Service office or mailbox.
3. Certified mail. When mailed certified mail, return receipt requested. Notice is effective on receipt, if delivery is confirmed by a return receipt.
4. Overnight Delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account, Notice is effective on delivery, if delivery is confirmed by the delivery service.
5. Telex or Facsimile Transmission. When sent by telex or fax to the last telex or fax number of the recipient known to the party giving notice. Notice is effective on receipt, provided that (i) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (ii) the receiving party delivers a written confirmation of receipt. Any notice given by telex or fax shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a nonbusiness day.
6. E-mail transmission. When sent by e-mail using software that provides unmodifiable proof (i) that the message was sent, (ii) that the message was delivered to the recipient's information processing system, and (iii) of the time and date the message was delivered to the recipient along with a verifiable electronic record of the exact content of the message sent.

Addresses for the purpose of giving notice are as shown in Paragraph B.(1) of this Agreement.

- (b) Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- (c) Any party may change its address, telex, fax number, or e-mail address by giving the other party notice of the change in any manner permitted by this Agreement.

with such appointment shall be paid from the assets attributable to contributions by Employer.

(9) If Employer should breach the representation and warranty set forth in Paragraph A., the Board shall take whatever action it deems necessary to preserve the tax-exempt status of the Prefunding Plan.

#### I. General Provisions

##### (1) Books and Records.

Employer shall keep accurate books and records connected with the performance of this Agreement. Employer shall ensure that books and records of subcontractors, suppliers, and other providers shall also be accurately maintained. Such books and records shall be kept in a secure location at the Employer's office(s) and shall be available for inspection and copying by CalPERS and its representatives at any time.

##### (2) Audit.

- (a) During and for three years after the term of this Agreement, Employer shall permit the Bureau of State Audits, CalPERS, and its authorized representatives, and such consultants and specialists as needed, at all reasonable times during normal business hours to inspect and copy, at the expense of CalPERS, books and records of Employer relating to its performance of this Agreement.
- (b) Employer shall be subject to examination and audit by the Bureau of State Audits, CalPERS, and its authorized representatives, and such consultants and specialists as needed, during the term of this Agreement and for three years after final payment under this Agreement. Any examination or audit shall be confined to those matters connected with the performance of this Agreement, including, but not limited to, the costs of administering this Agreement. Employer shall cooperate fully with the Bureau of State Audits, CalPERS, and its authorized representatives, and such consultants and specialists as needed, in connection with any examination or audit. All adjustments, payments, and/or reimbursements determined to be necessary by any examination or audit shall be made promptly by the appropriate party.

##### (3) Notice.

- (a) Any notice, approval, or other communication required or permitted under this Agreement will be given in the English language and will be deemed received as follows:

(4) After Employer's participation in the Prefunding Plan terminates, disbursements from Employer's Prefunding Account may continue upon Employer's instruction or otherwise in accordance with the terms of this Agreement.

(5) After thirty-six (36) months have elapsed from the effective date of this Agreement:

- (a) Employer may request a trustee to trustee transfer of the assets in Employer's Prefunding Account. Upon satisfactory showing to the Board that the transfer will satisfy applicable requirements of the Internal Revenue Code and the Board's fiduciary duties, then the Board shall effect the transfer within one hundred twenty (120) days. The amount to be transferred shall be the amount in the Employer's Prefunding Account as of the disbursement date and shall include investment earnings up to the investment earnings allocation date immediately preceding the disbursement date. In no event shall the investment earnings allocation date precede the transfer by more than 120 days.
- (b) Employer may request a disbursement of the assets in Employer's Prefunding Account. Upon satisfactory showing to the Board that all of Employer's obligations for payment of post employment health care benefits and other post employment benefits and reasonable administrative costs of the Board have been satisfied, then the Board shall effect the disbursement within one hundred twenty (120) days. The amount to be disbursed shall be the amount in the Employer's Prefunding Account as of the disbursement date and shall include investment earnings up to the investment earnings allocation date immediately preceding the disbursement date. In no event shall the investment earnings allocation date precede the disbursement by more than 120 days.

(6) After Employer's participation in the Prefunding Plan terminates and at such time that no assets remain in Employer's Prefunding Account, this Agreement shall terminate.

(7) If, for any reason, the Board terminates the Prefunding Plan, the assets in Employer's Prefunding Account shall be paid to Employer after retention of (i) amounts sufficient to pay post employment health care benefits and other post employment benefits to annuitants for current and future annuitants, and (ii) amounts sufficient to pay reasonable administrative costs of the Board.

(8) If Employer ceases to exist but Employer's Prefunding Plan continues to exist and if no provision has been made by Employer for ongoing payments to pay post employment health care benefits and other post employment benefits to annuitants for current and future annuitants, the Board is authorized to and shall appoint a third party administrator to carry out Employer's Prefunding Plan. Any and all costs associated



(3) Employer's request for disbursement shall be in writing signed by Employer's authorized representative, in accordance with procedures established by the Board. The Board may require that Employer certify or otherwise establish that the monies will be used for the purposes of the Prefunding Plan.

(4) Requests for disbursements that satisfy the requirements of paragraphs (2) and (3) that are received on or after the first of a month will be processed by the 15<sup>th</sup> of the following month. (For example, a disbursement request received on or between March 1st and March 31st will be processed by April 15th; and a disbursement request received on or between April 1st and April 30th will be processed by May 15th.)

(5) CalPERS shall not be liable for amounts disbursed in error if it has acted upon the instruction of an individual authorized by Employer to request disbursements. In the event of any other erroneous disbursement, the extent of CalPERS' liability shall be the actual dollar amount of the disbursement, plus interest at the actual earnings rate but not less than zero.

(6) No disbursement shall be made from the Prefunding Plan which exceeds the balance in Employer's Prefunding Account.

#### G. Costs of Administration

Employer shall pay its share of the costs of administration of the Prefunding Plan, as determined by the Board.

#### H. Termination of Employer Participation in Prefunding Plan

(1) The Board may terminate Employer's participation in the Prefunding Plan if:

- (a) Employer gives written notice to the Board of its election to terminate;
- (b) Employer ceases to be a PEMHCA participant;
- (c) The Board finds that Employer fails to satisfy the terms and conditions of this Agreement or of the Board's rules or regulations.

(2) If Employer's participation in the Prefunding Plan terminates for any of the foregoing reasons, all assets in Employer's Prefunding Account shall remain in the Prefunding Plan, except as otherwise provided below, and shall continue to be invested and accrue income as provided in Paragraph D.

(3) After Employer's participation in the Prefunding Plan terminates, Employer may not make contributions to the Prefunding Plan.

- (d) All notices, requests, demands, amendments, modifications or other communications under this Agreement shall be in writing. Notice shall be sufficient for all such purposes if personally delivered, sent by first class, registered or certified mail, return receipt requested, delivery by courier with receipt of delivery, facsimile transmission with written confirmation of receipt by recipient, or e-mail delivery with verifiable and unmodifiable proof of content and time and date of sending by sender and delivery to recipient. Notice is effective on confirmed receipt by recipient or 3 business days after sending, whichever is sooner.

(4) Modification

This Agreement may be supplemented, amended, or modified only by the mutual agreement of the parties. No supplement, amendment, or modification of this Agreement shall be binding unless it is in writing and signed by the party to be charged.

(5) Survival

All representations, warranties, and covenants contained in this Agreement, or in any instrument, certificate, exhibit, or other writing intended by the parties to be a part of their Agreement shall survive the termination of this Agreement until such time as all amounts in Employer's Prefunding Account have been disbursed.

(6) Waiver

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

(7) Necessary Acts, Further Assurances

The parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

A majority vote of Employer's Governing Body at a public meeting held on the 30th  
day of the month of August 2007, authorized entering into this  
Agreement.

Signature of the Presiding Officer: \_\_\_\_\_

Printed Name of the Presiding Officer: Gary Ovitt, President

Name of Governing Body: Southern California Association of Governments (SCAG)

Name of Employer: Southern California Association of Governments (SCAG)

Date: \_\_\_\_\_

BOARD OF ADMINISTRATION  
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY \_\_\_\_\_  
ACTUARIAL AND EMPLOYER SERVICES BRANCH  
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

To be completed by CalPERS

The effective date of this Agreement is: \_\_\_\_\_



## ASSOCIATION of GOVERNMENTS

### Main Office

818 West Seventh Street

12th Floor

Los Angeles, California

90017-3435

t (213) 236-1800

f (213) 236-1825

www.scag.ca.gov

**Officers:** President: Gary Ovitt, San Bernardino County • First Vice President: Richard Dixon, Lake Forest • Second Vice President: Harry Baldwin, San Gabriel • Immediate Past President: Yvonne B. Burke, Los Angeles County

**Imperial County:** Victor Carrillo, Imperial County • Jon Edney, El Centro

**Los Angeles County:** Yvonne B. Burke, Los Angeles County • Zev Yaroslavsky, Los Angeles County • Richard Alarcon, Los Angeles • Jim Alimier, Manhattan Beach • Harry Baldwin, San Gabriel • Tony Cardenas, Los Angeles • Stan Carroll, La Habra Heights • Margaret Clark, Rosemead • Gene Daniels, Paramount • Judy Dunlap, Inglewood • Rae Gabelich, Long Beach • David Gatin, Downey • Eric Garrett, Los Angeles • Wendy Greuel, Los Angeles • Frank Gurule, Gardena • Janice Hahn, Los Angeles • Isadore Hall, Compton • Keith W. Hanks, Azusa • Jose Huizar, Los Angeles • Jim Jeffra, Lancaster • Tom LaBonge, Los Angeles • Paula Lantz, Pomona • Barbara Messina, Alhambra • Larry Nelson, Artesia • Paul Nowatka, Torrance • Pam O'Connor, Santa Monica • Bernard Parks, Los Angeles • Jan Perry, Los Angeles • Ed Reyes, Los Angeles • Bill Rosendahl, Los Angeles • Greig Smith, Los Angeles • Tom Sykes, Walnut • Mike Ten, South Pasadena • Tonia Reyes Uranga, Long Beach • Antonio Villaraligosa, Los Angeles • Dennis Washburn, Calabasas • Jack Weiss, Los Angeles • Herb J. Wesson, Jr., Los Angeles • Dennis Zine, Los Angeles

**Orange County:** Chris Norby, Orange County • Christine Barnes, La Palma • John Beauman, Brea • Lou Bone, Tustin • Debbie Cook, Huntington Beach • Leslie Daigle, Newport Beach • Richard Dixon, Lake Forest • Troy Edgar, Los Alamitos • Paul Glaab, Laguna Niguel • Robert Hernandez, Anaheim • Sharon Quirk, Fullerton

**Riverside County:** Jeff Stone, Riverside County • Thomas Buckley, Lake Elsinore • Bonnie Flickinger, Moreno Valley • Ron Loveridge, Riverside • Greg Pettis, Cathedral City • Ron Roberts, Temecula

**San Bernardino County:** Gary Ovitt, San Bernardino County • Lawrence Dale, Barstow • Paul Eaton, Montclair • Lee Ann Garcia, Grand Terrace • Tim Jasper, Town of Apple Valley • Larry McCallion, Highland • Deborah Robertson, Rialto • Alan Wagner, Ontario

**Tribal Government Representative:** Andrew Masel Sr., Pechanga Band of Luiseno Indians

**Ventura County:** Linda Parks, Ventura County • Glen Becerra, Simi Valley • Carl Morehouse, San Buenaventura • Toni Young, Port Hueneme

**Orange County Transportation Authority:** Art Brown, Buena Park

**Riverside County Transportation Commission:** Robin Lowe, Hemet

**Ventura County Transportation Commission:** Keith Millhouse, Moorpark

## RESOLUTION No. 07-490-1

### RESOLUTION OF THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS PROVIDING FOR THE DELEGATION OF AUTHORITY TO REQUEST DISBURSEMENTS OF CALPERS PREFUNDING PLAN RELATING TO OTHER POST EMPLOYMENT BENEFITS

**WHEREAS**, the Southern California Association of Governments (SCAG) is a Joint Powers Agency established pursuant to Section 6502 et seq. of the California Government Code;

**WHEREAS**, SCAG is a contracting agency with the California Public Employees' Retirement System (CalPERS) under the Public Employees' Medical and Hospital Care Act, and has elected to participate in CalPERS' California Employer's Retiree Benefit Trust Program (hereinafter referred to as "CERBT" or "Prefunding Plan") to assist in SCAG's payment of health care costs or other post employment benefits pursuant to the requirements of GASB 45; and

**WHEREAS**, SCAG is authorized to request disbursements from SCAG's prefunding account under the Prefunding Plan in accordance with procedures established by the CalPERS Board. Such procedures require that SCAG delegate who has the authority to request disbursements on behalf of SCAG, and this resolution establishes such delegation of authority.

**NOW, THEREFORE, BE IT RESOLVED**, by the Regional Council of the Southern California Association of Governments as follows:

1. The Regional Council hereby delegates to the incumbents in the positions of Executive Director and Chief Financial Officer the authority to request on behalf of SCAG disbursements from the Other Post Employment Prefunding Plan administered by CalPERS and to certify as to the purpose for which the disbursed funds will be used.
2. SCAG's Chief Financial Officer or his designee is authorized to transmit a copy of this Resolution to CalPERS for its records.

**APPROVED AND ADOPTED** by the Regional Council of the Southern California Association of Governments at a regular meeting this 30th day of August 2007.

Attested by:

Mark Pisano  
Executive Director

Gary Ovitt  
President  
Supervisor, San Bernardino County

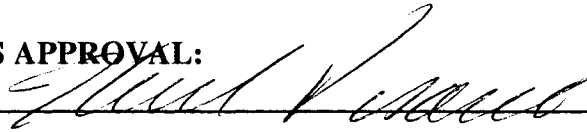
Approved as to Form:

Joanna Africa  
Interim Director of Legal Services

# REPORT

**DATE:** August 30, 2007  
**TO:** Investment Subcommittee, Administration Committee  
**FROM:** Wayne Moore, CFO, 213-236-1804, moore@scag.ca.gov  
**SUBJECT:** STATEMENT OF INVESTMENT POLICY

**EXECUTIVE DIRECTOR'S APPROVAL:**



**RECOMMENDED ACTION:**

Recommend that the Administration Committee adopt SCAG's new statement of investment policy.

**BACKGROUND:**

California Government Code Section 53646 (a) (2) states that local agencies, other than counties, may annually render to their legislative body and any oversight committee, a statement of investment policy. This policy must be considered at a public meeting.

An effective investment policy not only provides a level of accountability for investment officials, but also promotes a greater degree of public trust in the investment process. It should be periodically reviewed. At this time, several changes are being proposed in order to reflect new titles, new investment vehicle needs, and to comply with state law.

(1) Section 8, Authorized Investments

- a. The new language specifically authorizes investments made pursuant to California Government Code 53601 (o): *Shares of Beneficial Interest issued by a Joint Powers Authority organized pursuant to California Government Code Section 6509.7 that invests in the securities and obligations authorized in Section 53601 (a) through (n).*
- b. Added paragraph "B", "Other Post-Employment Benefits Funding" to permit the use of CalPERS' Retiree Benefit Trust Fund for prefunding retiree medical benefits.
- c. Added paragraph "C", "Supplemental Defined Benefit Pension Rate Plan Funding" to require that this benefit be funded with an annuity, as approved by the RC on July 12, 2007.

(2) Various Sections

Responsible persons have been identified using current titles. Clarifying language has been added where needed.


# REPORT

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**FISCAL IMPACT:**

None.


Reviewed by:

  
\_\_\_\_\_  
*Division Manager*

Reviewed by:

\_\_\_\_\_  
*Department Director*

Reviewed by:

  
\_\_\_\_\_  
*Chief Financial Officer*

## SCAG STATEMENT OF INVESTMENT POLICY

Deleted: (Adopted March 6, 1997)

### Section 1: Purpose

This SCAG Statement of Investment Policy is intended to provide standards and guidelines for the prudent investment of funds by SCAG in conducting its investment and cash management responsibilities. The goal is to strengthen the overall financial condition of SCAG, while earning a return on our investments with safety and liquidity.

### Section 2: Objective

The Policy is designed to achieve and maintain adequate working capital to support our Planning and Support Operations and to grow our available resources and funds to the fullest extent possible. SCAG attempts to obtain a market rate of interest without assuming undue risk to principal. The objectives of such investments is: 1) the long term preservation of capital, 2) adequate cash resources to meet our short term financial needs for liquidity; and 3) to earn a competitive rate of return on capital.

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### Section 3: Scope

This investment policy applies to activities of SCAG with regard to investing the financial assets of all funds, including the following: General Fund, Special Revenue Funds, and Trust Funds, and any other Funds that may be created from time to time.

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### Section 4: Investment Responsibility

Investments are the responsibility of the Chief Financial Officer and the Manager of Accounting. This includes the authority to select investments, engage professional services, to open accounts with banks, brokers and dealers, to establish safekeeping accounts or other arrangements for the custody of securities, and report to oversight bodies. Those persons authorized to execute transactions include: 1) Chief Financial Officer or his/her director designee, 2) Manager of Accounting or his/her staff designee, and 4) those specifically approved and added by the Administration Committee (AC) of the Regional Council (RC). Brokers and dealers are to be provided with a list of specified names of those persons authorized to execute transactions.

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Deleted: 3) Senior Accountant,

Deleted: The Chief Operating Officer and the Controller shall be available to execute transactions on a timely basis.

### Section 5: Internal Controls

The Chief Financial Officer and the Manager of Accounting shall establish the investment function so that specific responsibility for the performance of duties are assigned with a clear line of authority, accountability and reporting. The functions of authorizing, executing and recording transactions, custody of investments and performing reconciliation" are to be handled by separate persons to reduce the risk that a person is in a position to conceal errors or fraud in the normal course of duty.

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While no internal control system, however elaborate, can guarantee absolute assurance that assets are safeguarded, it is the intent of the internal control system to provide reasonable assurance that management of the investment function meets our objectives. These internal controls shall be reviewed annually by the independent auditor.

### Section 6: Reporting

The AC shall be responsible for reporting the status of investments to the RC on a quarterly basis. Reports are to be submitted by the Chief Financial Officer to the AC and/or the Investment Subcommittee following the end of each quarterly period. These reports shall show the type of investment, institution, face amount, interest rate, date of maturity, compliance to the investment policy, a verification of adequacy of working capital to meet our operating needs and market value for all investments. The reports shall appear in the consent calendar of all agendas.

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### Section 7: Prudence

The standard of prudence to be used by investment officials shall be the “prudent person” and shall be applied in the context of managing all aspects of the overall portfolio. Investments shall be made with care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs.

### Section 8: Authorized Investments

#### (A) Surplus Funds

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Funds may be invested in any instrument allowable by the State of California Government Code Section 53600 et seq. so long as the investment is appropriate when SCAG’s investment objectives and policies are taken into consideration. Within the context of the limitations, the following are authorized:

- US Treasury Obligations (Bills, Notes and Bonds)
- US Government Agency Securities and Instrumentality’s of Government Sponsored Corporations
- Banker’s Acceptances
- Commercial Paper
- Repurchase Agreements
- Certificates of Deposit
- Negotiable Certificates of Deposit
- Passbook Savings Accounts
- Interest Bearing Checking Accounts
- Intermediate Term Corporate Notes
- Bank Money Market Accounts
- Local Agency Investment Fund (State Pool)



- Los Angeles County Investment Fund (County Pool)
- Shares of Beneficial Interest issued by a Joint Powers Authority organized pursuant to California Government Code Section 6509.7 that invests in the securities and obligations authorized in Section 53601 (a) through (n).
- Other investments that are, or may become, legal investments through the State of California Government Code.

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### **B. Other Post-Employment Benefits Funding**

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All funding approved for this purpose shall be invested in the irrevocable trust for post-employment benefits administered by the California Public Employees Retirement System (CalPERS), also known as the "Prefunding Plan."

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### **C. Supplemental Defined Benefit Pension Plan Funding**

All funding approved for this purpose shall be invested in an annuity selected according to criteria prescribed by SCAG procurement policies and SCAG's financial and operational needs.

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### **Section 9: Prohibited Investments**

SCAG shall not invest any funds in inverse floaters, range notes, or interest-only strips that are derived from a pool of mortgages. SCAG shall not invest any funds in any security that could result in a zero interest accrual if held to maturity.

### **Section 10: Investment Criteria**

Criteria for selecting investments and order of priority are:

#### **A. SAFETY**

The safety and risk associated with an investment refers to the potential loss of principal, interest or a combination of these amounts. SCAG shall only invest in those financial instruments whose safety and quality comply with State law and SCAG's risk tolerance.

#### **B. LIQUIDITY**

This refers to the ability to convert an investment into cash at any moment in time with a minimal chance of losing some portion of principal or interest. Since liquidity is an important investment quality, especially when the need for immediate access to funds may occur unexpectedly, potential fluctuations in market value are to be an important consideration when selecting an investment. SCAG's portfolio shall provide for adequate liquidity as indicated by SCAG's cash projections.

#### **C. YIELD**

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Yield is the potential dollar earnings an investment can provide and sometimes is described as the rate of return. SCAG shall attempt to maximize return consistent with criteria A and B above.

#### Section 11: Diversification

SCAG will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities. Diversification strategies shall be established within the guidelines of Government Code Section 53600 et seq., and periodically reviewed.

#### Section 12: Investment Pools

SCAG has determined that use of investment pools is a practical investment option. SCAG will utilize guidelines established by the California Municipal Treasures Association and California Society of Municipal Finance Officers to ensure the safety of investment pools.

#### Section 13: Maturity Limitations

Every investment instrument purchased must have a term remaining to maturity of five years or less, unless RC approval was obtained three months in advance.

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#### Section 14: Safeguarding of Assets and Records

Securities purchased from broker/dealers shall be held in third-party safekeeping in SCAG's name and control, whenever possible. Monthly statements received from the financial institution are reconciled to the investment reports by the Senior Accountant. Review of safety, liquidity, and yields of investment instruments; and reputation and financial condition of investment brokers is to be done by the AC. The periodic review of the investment portfolio, including investment types, purchase price, market values, maturity dates, and investment yields as well as conformance to the stated investment policy will also be performed by the AC.

#### Section 15: Qualified Institutions

If SCAG decides not to use investment pools, SCAG shall prepare and maintain a listing of financial institutions which are approved for investment purposes. In addition, a list will be maintained of approved broker/dealers selected by credit worthiness, who maintain an office in the State of California. All financial institutions and broker/dealers who desire to become bidders for investment transactions must supply the following: audited financial statements, proof of National Association of Security Dealers' certification, trading resolution, proof of California registration, and certification of having read this Investment Policy. An annual review of the financial condition and registrations of qualified bidders will be conducted by the AC.

## Section 16: Monitoring and Adjusting the Portfolio

SCAG, will monitor the contents of the portfolio, the available markets and the relative values of competing instruments and will adjust the portfolio accordingly based on our Investment Policy. Investment counselors may be engaged to assist in the performance of this work with the approval of the AC.

## Section 17: Modification and Legislative Changes

The AC shall be responsible for modifying investment guidelines as conditions warrant and submit same for re-approval by the RC on an annual basis. This annual approval may be on the consent agenda unless there are amendments to this Policy. Any State of California legislative action, that further restricts allowable maturities, investment type or percentage allocations, will be incorporated into SCAG's Statement of Investment Policy and supersede any and all previous applicable language.

## Section 18: Segregation of Responsibilities

A. <b>FUNCTION</b>	B. <b>RESPONSIBILITY</b>
Develop Statement of Investment Policy	<u>Chief Financial Officer</u> <u>Manager of Accounting</u>
Recommend modifications to Statement of Investment Policy	<u>Chief Financial Officer</u> <u>Legal Counsel</u> <u>Manager of Accounting</u> <u>Investment Subcommittee</u>
Approve Statement of Investment Policy and appointment of Oversight Committee	Administration Committee
Adopt Statement of Investment Policy	Regional Council
Select Investments	<u>Chief Financial Officer</u> <u>Manager of Accounting</u> Outside Investment Manager
Approve transactions	<u>Chief Financial Officer or Manager of Accounting</u>
Execute investment transactions and fax completed trade information to SCAG	Outside Investment Manager
Investment verification (match broker	Senior Accountant

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confirmation to trade information provided by outside Investment Manager to SCAG investment records)	
Record investment transactions into SCAG's accounting records	Senior Accountant – General Ledger
Reconcile investment records to accounting records and bank statements	Senior Accountant – General Ledger
Security	Time Certificates of Deposit will be maintained in SCAG's safe in the care of the <u>Manager of Accounting</u> . All other investment securities will be held in safekeeping in the trust department of SCAG's Depository bank, or other third party custodian as designated by the Chief <u>Financial Officer</u> .

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## Section 19: Administration Committee and Investment Subcommittee

The AC is empowered to review and make recommendations on the Investment Policy and Investment Strategy of SCAG to strengthen the internal controls of the management of funds. The AC may, in its discretion, establish an Investment Subcommittee to assist the AC to achieve the goals and objectives of this Investment Policy.

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### 19.1 Purpose of the Investment Subcommittee

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- A. To review and make recommendations about this Investment Policy and Investment Strategy.
- B. To review investments on a periodic basis and to report any exceptions to this Investment Policy immediately to the RC.
- C. To be responsive to AC requests.

### 19.2 Membership

The total membership shall consist of five members: 1) AC Chairman and 2 Members (selected by the AC members), 2) Chief Financial Officer, and 3) Manager of Accounting.

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### 19.3 Functions and Duties

- A. Annually: To review and approve the Statement of Investment Policy; and  
Review the financial condition of broker/dealers and financial institutions.
- B. Quarterly: To review investments made during the pervious quarterly period;  
and  
Provide a status report to the AC.
- C. Monthly: To develop and carry out the ongoing investment strategy in  
accordance with the Investment Policy; and  
Recommend amendments to the Statement of Investment Policy.
- D. The function of the AC and the Investment Subcommittee is to provide policy  
guidance that gives the operating staff standards and guidelines to work within on a day-  
to-day basis. By this, it is meant that each individual trade need not be approved by this  
Committee at the time it is transacted, provided that it falls within the scope of the  
Statement of Investment Strategy.

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# REPORT

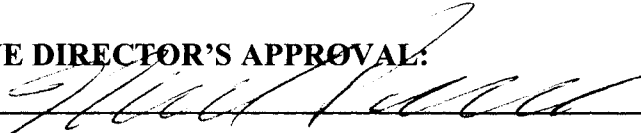
**DATE:** August 30, 2007

**TO:** Administration Committee  
Executive Committee

**FROM:** Rhonda Lawrence, Senior Human Resources Analyst, 213-236-1917,  
[lawrence@scag.ca.gov](mailto:lawrence@scag.ca.gov)

**SUBJECT:** Government and Public Affairs Classification Study Results

**EXECUTIVE DIRECTOR'S APPROVAL:**



## RECOMMENDED ACTIONS:

The Personnel Committee acted on August 9, 2007 to recommend approval of the classification levels and the salary ranges for the revised/new Communications, Graphics, Legislative, Member Relations and Public Affairs Series:

Classification	Annual Minimum	Annual Maximum	Salary Range Increase
Public Affairs Specialist I	\$48,606.15	\$ 63,188	New class
Public Affairs Specialist II	\$58,235.38	\$ 75,706	Equal to old Gov Aff Analyst
Public Affairs Specialist III	\$67,367.69	\$ 87,578	16% over old Gov Aff Analyst
Public Affairs Specialist IV	\$76,401.54	\$ 99,322	5.1% over old Sr Gov Aff Analyst
Communications Strategy Officer	\$80,221.54	\$104,288	10% increase over old Sr Comm Sp
Manager of Communications	\$95,470.77	\$124,112	No change
Graphics Designer	\$50,618.46	\$ 65,804	8.9% increase
Web/Graphics Designer	\$55,680.00	\$ 72,384	8.9% increase
Senior Graphics Designer	\$57,072.31	\$ 74,194	8.9% increase
Lead Graphics Designer	\$60,211.54	\$ 78,275	8.9% increase
Legislative Analyst I	\$51,036.15	\$ 66,347	New class
Legislative Analyst II	\$61,243.08	\$ 79,616	5% over old Gov Aff Analyst
Legislative Analyst III	\$67,367.69	\$ 87,578	16% over old Gov Aff Analyst
Legislative Analyst IV	\$76,401.54	\$ 99,322	5.1% over old Sr Gov Aff Analyst
Manager of Legislative Affairs	\$95,470.77	\$124,112	New class
Member Relations Officer I	\$51,036.15	\$ 66,347	New class
Member Relations Officer II	\$61,243.08	\$ 79,616	5% over old Gov Aff Analyst
Member Relations Officer III	\$67,367.69	\$ 87,578	16% over old Gov Aff Analyst
Member Relations Officer IV	\$76,401.54	\$ 99,322	5.1% over old Sr Gov Aff Analyst
Manager of Member Relations	\$95,470.77	\$124,112	No change

# REPORT

## SUMMARY:

This study is the fourth classification and compensation study conducted in-house to update the classification and compensation plan since the study conducted by Personnel Concepts in 2001. An all agency benchmark compensation survey will be conducted in January 2008.

The classification study of the Government and Public Affairs classes resulted in creating separate class series for each division to replace the classes of Government Affairs Analyst, Communications Specialist and Senior Government Affairs Analyst. The Legislative Analyst, Member Relations Officer and Public Affairs Specialist class series are recommended to better describe the duties and responsibilities and reflect the different working conditions, and the slightly different skill set used in each division. As with the Regional Planning class series, this study recommends establishing two class levels below the journey level. The Senior Communications Specialist position title is changing to Communications Strategy Officer to reflect the position's responsibility for formulating marketing and communication strategies for all SCAG programs. These changes should aid recruitment and retention.

In 2005 Government and Public Affairs was restructured from a division within the Executive Office to a department. A recruitment was held for the Department Director position. A suitable candidate was not found and the Director of Legal Services assumed responsibilities for the Department. The Department Director, with input from staff, established three divisions within the Government and Public Affairs Department in August 2006. The class of Manager of Member Relations was established in late 2006 for recruitment purposes. This study establishes the class of Manager of Legislative Affairs and updates the position title of Communications Supervisor to Manager of Communications to reflect management responsibility for a small division. No classification changes are recommended for the Graphics Design series.

The salary survey indicated that salaries should be increased for all series. Using the compensation practices established in the 2001 compensation survey, marketplace competitiveness was determined for entry and highest level public affair classes and the journey level graphic designer. The salary ranges for the other class levels within these series were determined by linking the other levels to the surveyed classes. The manager classes were internally aligned with the class of Manager I based on scope and impact of the divisional responsibility. All minimum salaries are based on a 30% vs. 50% spread as indicated in the July Regional Council Informational Report.

## BACKGROUND:

The study began during the winter of 2007 and concluded in the spring. All fourteen employees completed a job analysis questionnaire and were interviewed regarding their job duties and responsibilities. Meetings with managers and the department director were held to discuss the functions supported by positions and responsibilities of individual positions.

Base salary information was collected in early 2007 from the 12-agency group which has been used since the last agency-wide classification and compensation study in 2001. The Graphic Designer journey level class was used for comparison and those agencies that have either a Public Affairs or Legislative Analyst class series was used for comparison for the other class series in the department. If an agency had more than one class series similar to the Legislative, Member Relations or Public Affairs class series, they were paid equivalently. Therefore only one class series is used for comparison.

# REPORT

Salary survey results comparing the maximums of the salary range for Public Affairs and Graphic classes are listed on the next page. In the 2001 study the Government Affairs Analyst series was not surveyed, but rather linked internally to the Regional Planner series with no explanation provided.

Agency	Entry Level Pub Aff	Highest Level Pub Aff Ana	Graphic Designer
ABAG	57,576	87,708	57,576
City of Long Beach	No Match	No Match	No Match
City of Los Angeles	64,958	90,577	63,162
City of Pasadena	No Match	No Match	51,161
Los Angeles County	No Match	No Match	51,756
MTA	60,486	83,221	66,685
MTC	74,035	120,500	74,035
MWD	66,414	100,339	68,182
OCTA	59,363	79,061	No Match
Orange County	No Match	No Match	48,755
SANDAG	60,750	85,505	57,857
SCAQMD	66,324	79,812	50,004
SCAG Salary Range	new	94,544	60,416
75th Percentile	66,347	99,322	65,804
% Difference from 75th %tile	---	-5.1%	-8.9%

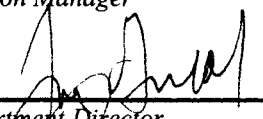
## FISCAL IMPACT:

This study results in a minimal immediate fiscal impact. Adequate funds are available in the budget to cover the cost. Employees only move in the salary range if their position is reclassified or at the time of their merit pay performance increase. This study recommends one position for reclassification. Employees receive a 5% increase upon reclassification. The total cost for fiscal year 07/08 is estimated to be \$3,500.

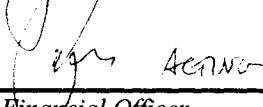
Reviewed by:

  
Division Manager

Reviewed by:

  
Department Director

Reviewed by:

  
Chief Financial Officer



# REPORT

**DATE:** August 30, 2007

**TO:** Administration Committee and Regional Council

**FROM:** Jonathan Nadler, Planning & Policy (213) 236-1884 email [nadler@scag.ca.gov](mailto:nadler@scag.ca.gov)

**SUBJECT:** Sponsorship of the 2008 Faster Freight – Cleaner Air Conference

**EXECUTIVE DIRECTOR'S APPROVAL:**

**RECOMMENDED ACTION:**

Approve \$25,000 sponsorship of hosting the 2008 Faster Freight - Cleaner Air Conference

**BACKGROUND:**

Faster Freight – Cleaner Air (FFCA) is an annual three-day conference and expo where attendees receive the latest information about technologies and programs working to reduce emissions and move freight faster through the port and transportation corridors. The attendee base includes representatives of all sectors of the goods movement industry, including government agencies, transportation planners, technology providers, public health researchers, community groups, labor unions, and students. Over 800 attendees from all over the world participated in the 2007 conference. Highlighted speakers at FFCA 2007 included Secretary Mary Peters, US DOT, Stephen L. Johnson, Administrator, US EPA, Alan Lowenthal, California State Senate, Mayor Bob Foster, City of Long Beach, Mayor Antonio Villaraigosa, City of Los Angeles, S. David Freeman, President, Los Angeles Board of Harbor Commissioners, James Hankla, President, Long Beach Board of Harbor Commissioners, James R. Young, Chairman and CEO, Union Pacific Corporation, and numerous others.

SCAG has previously been a host sponsor for this event, which includes a seat on the steering committee. As a host agency, SCAG President Ovitt would be offered the opportunity to provide opening remarks.

This conference has become a leading forum to address the issues of growth and congestion relating to goods movement and the impact on air quality. SCAG's sponsorship will allow the Agency to continue its leadership role in addressing the issues associated with goods movement through the region.

**FISCAL IMPACT:**

The sponsorship budget is captured in the approved FY07-08 General Fund Budget within work element 08-800.SCGS9.

**Reviewed by:** \_\_\_\_\_

Department Director

**Reviewed by:** \_\_\_\_\_

Chief Financial Officer

# MEMO

**DATE:** August 30, 2007

**TO:** Administration Committee

**FROM:** Wayne Moore, Chief Financial Officer, (213) 236-1804, moore@scag.ca.gov

**SUBJECT:** CFO Monthly Report for June & July 2007

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## Accounting

The Accounting department submitted a record CPG invoice to Caltrans for June, 2007. It totaled \$3.8 million and reflects the continuing increase in activity. Staff continued with year-end close procedures, transaction processing, and set up activities for FY08.

Research began on the impact on SCAG of the delay in adopting the State budget. The impact should be minimal if the State budget is approved by September 2007.

The Investment Oversight Committee was activated and will immediately address several issues. These include SCAG's revised investment policy, the GASB 45 Irrevocable Trust, and funding for the Supplemental Defined Benefit Retirement Plan.

## Budget and Grants (B & G)

The Budget and Grants department completed the data-entry of the FY 07-08 OWP, Indirect (IC) and General Fund (GF) budgets into SCAG's financial information system enabling all business transactions (such as requisitions, purchases orders, and payments) to be operational and effective as of July 1st. Additionally, the B & G Team provided on-going assistance to SCAG staff relative to project budgets, OWP and financial management policies and processes, and the use of SAP.

B & G coordinated the preparation of the 4th quarter OWP progress report which includes the year-end reporting of all FY 06-07 projects and discretionary grants reporting. Also, B&G identified a list of minor project changes within the OWP and submitted an amendment request to our funding partner in late July.

Development discussions continued with ISD staff relative to the new Comprehensive Budget and Development System (CBDS). The new database system is set to debut with the kick-off of the new fiscal year budget development cycle.

B & G collaborated with planning and programming to submit a \$200 million grant proposal to the federal government addressing our goods movement and air quality challenges faced within the Southern California region.

# MEMO

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## Contracts:

During the months of June and July 2007, the contracts department awarded 8 contracts, issued 56 contract amendments, and issued 2 Requests for Proposals (RFPs). It is worth noting that during fiscal year 2007, Contracts staff saved the agency approximately \$141,000 through negotiations with suppliers for more advantageous terms and pricing of supplies and services.

As part of its on-going strategy to increase competition, contracts staff is working with the planning and programming staff to add a Contractor Conference (i.e., Mixer) to the Agenda of the upcoming Transit Conference. Staff will market SCAG's contracting opportunities at this event, for the purpose of registering new vendors into SCAG's bid notification database.

Submitted by:

  
\_\_\_\_\_  
*Chief Financial Officer*

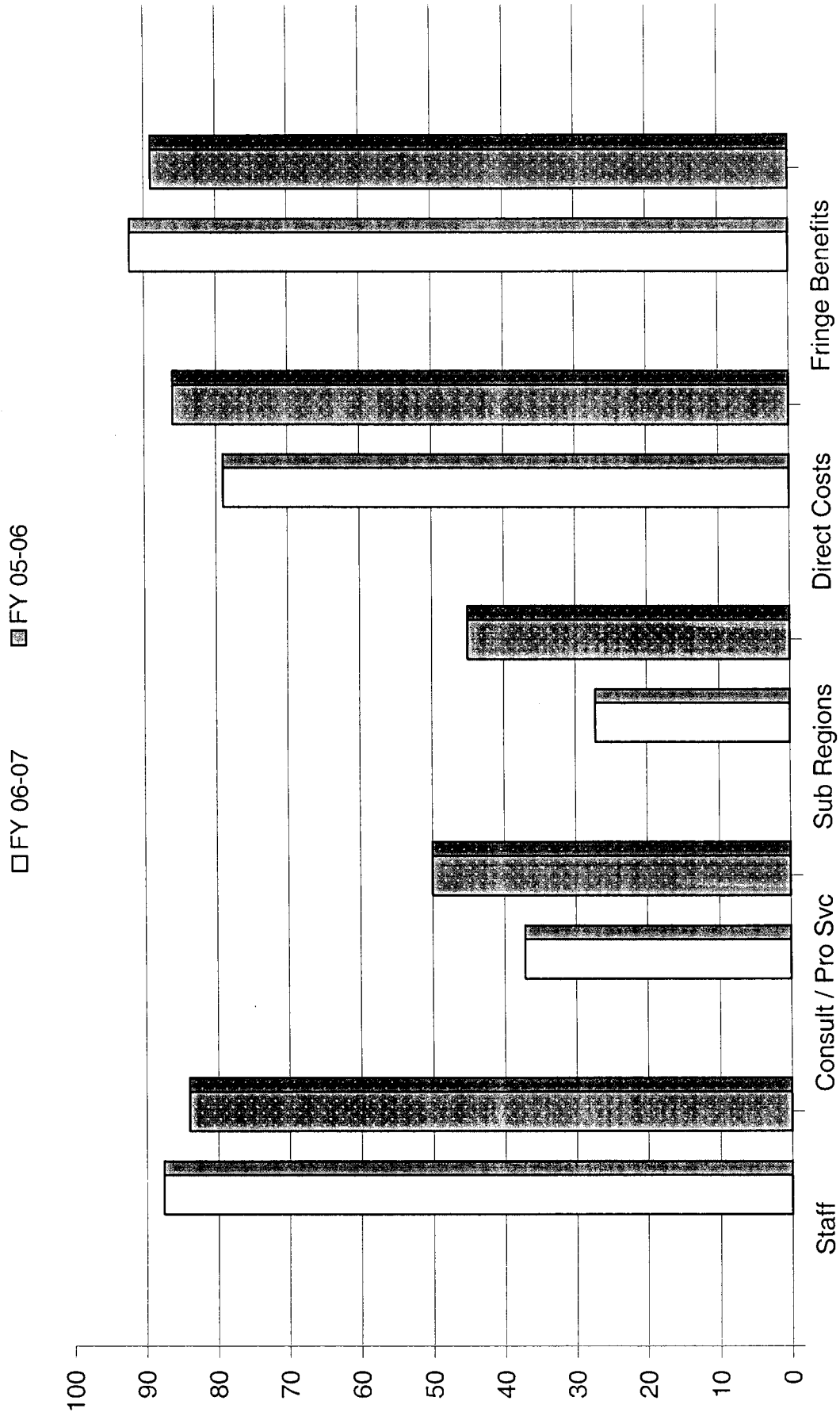
**Southern California Association of Governments**  
**Total Budget vs. Actual Expenditures and Encumbrances**  
**For the Year Ended June 30, 2007**

Line Item Description	a Original Budget	b Approved Changes	c Pending Changes	(a+b+c) d		e Expenditures	f Encumbrances	(d-e-f) g		h % Budget Remaining
				Forecasted Budget	Forecasted Budget			Budget Balance	Budget Balance	
Salaries and Fringe Benefits	\$15,293,452	\$356,815	\$ -	\$15,650,267	\$15,650,267	\$13,894,545	\$ 142,204	\$1,613,518	\$1,613,518	10%
Consultants & Professional Services	17,799,082	973,755	\$ -	18,772,837	18,772,837	6,969,713	8,514,397	\$3,288,727	\$3,288,727	18%
Sub Region Consultants & Staff Projects	4,268,112	(180,000)	\$ -	4,088,112	4,088,112	1,109,257	2,379,060	\$599,795	\$599,795	15%
Direct & Indirect Costs	5,379,519	(258,409)	\$ -	5,121,110	5,121,110	4,045,589	518,242	\$557,279	\$557,279	11%
All Other	3,875,094	1,104,580	\$ -	4,979,674	4,979,674	1,810,204	-	\$3,169,470	\$3,169,470	64%
<b>Total</b>	<b>\$ 46,615,259</b>	<b>\$ 1,996,741</b>	<b>\$ -</b>	<b>\$ 48,612,000</b>	<b>\$ 48,612,000</b>	<b>\$ 27,829,308</b>	<b>\$ 11,553,903</b>	<b>\$ 9,228,789</b>	<b>\$ 9,228,789</b>	<b>19%</b>

1) Encumbrances are the remaining balances of contracts or purchase orders and are used for project budgeting purposes only.

Southern California Association of Governments  
Agency Wide Comparison

% of Budget Spent @ 100% of year



Agencywide Year over Year Comp

**Budget v. Actual and Encumbrances  
FY 2007**

	Original Budget	Budget Changes	Revised Budget	Yr to Date Expenditures Thru Jun	Balance	Pct of Bud	Encum- brances	YTD Expenditures Plus Encumbrs	Balance	Pct of Bud
<b>Staff</b>										
Salaries	10,605,287	276,815	10,882,102	9,405,157	1,476,945	86%	-	9,405,157	1,476,945	86%
Temporary Help	395,920	80,000	475,920	541,592	(65,672)	114%	142,204	683,796	(207,876)	144%
	<b>11,001,207</b>	<b>356,815</b>	<b>11,358,022</b>	<b>9,946,749</b>	<b>1,411,273</b>	<b>88%</b>	<b>142,204</b>	<b>10,088,953</b>	<b>1,269,069</b>	<b>89%</b>
<b>Consultant / Professional Services</b>										
SCAG Consultant	17,254,082	943,255	18,197,337	6,651,542	11,545,795	37%	8,401,764	15,053,306	3,144,031	83%
Legal Services	535,000	35,000	570,000	308,671	261,329	54%	106,613	415,285	154,715	73%
Professional Services	10,000	(4,500)	5,500	9,500	(4,000)	173%	6,020	15,520	(10,020)	282%
	<b>17,799,082</b>	<b>973,755</b>	<b>18,772,837</b>	<b>6,969,713</b>	<b>11,803,124</b>	<b>37%</b>	<b>8,514,397</b>	<b>15,484,111</b>	<b>3,288,726</b>	<b>82%</b>
<b>Sub Regions</b>										
Subregional Consultant	3,021,696	(75,058)	2,946,638	776,316	2,170,322	26%	1,568,583	2,344,899	601,739	80%
Subregional Staff Projects	1,246,416	(104,942)	1,141,474	332,941	808,533	29%	810,477	1,143,418	(1,944)	100%
	<b>4,268,112</b>	<b>(180,000)</b>	<b>4,088,112</b>	<b>1,109,257</b>	<b>2,978,855</b>	<b>27%</b>	<b>2,379,060</b>	<b>3,488,317</b>	<b>599,795</b>	<b>85%</b>
<b>Direct Costs</b>										
Internet Access Fees	3,000	-	3,000	2,610	390	87%	468	3,078	(78)	103%
Software Support	506,363	(80,000)	426,363	130,475	295,888	31%	6,272	136,747	289,616	32%
Hardware Support	57,000	-	57,000	52,997	4,003	93%	10,403	63,399	(6,399)	111%
Repair - Maintenance	0	-	0	0	0	0%	-	0	0	0%
Software Purchases	30,000	-	30,000	52,863	(22,863)	176%	6,529	59,393	(29,393)	198%
Office Rent - Main Office	1,200,807	-	1,200,807	1,272,623	(71,816)	106%	110,262	1,382,885	(182,078)	115%
Office Rent - Satellite Office	56,000	-	56,000	58,538	(2,538)	105%	-	58,538	(2,538)	105%
Equipment Leases	511,247	(20,000)	491,247	441,266	49,981	90%	36,921	478,187	13,060	97%
Equipment Repairs	34,730	(7,000)	27,730	18,128	9,602	65%	4,465	22,594	5,136	81%
Insurance	183,985	-	183,985	181,775	2,210	99%	-	181,775	2,210	99%
Payroll and Bank Process Fee	34,500	-	34,500	24,357	10,143	71%	-	24,357	10,143	71%
Office Supplies	115,500	-	115,500	146,502	(31,002)	127%	55,899	202,400	(86,900)	175%
Office Maintenance	-	-	-	-	-	0%	-	-	0	0%
Small Office Purchase	496,095	96,500	592,595	240,864	351,731	41%	92,977	333,842	258,753	56%
Telephone Charges	90,526	-	90,526	79,141	11,385	87%	140	79,281	11,245	88%
Postage and Delivery	82,000	-	82,000	57,840	24,160	71%	22,297	80,137	1,863	98%
SCAG Memberships	97,814	-	97,814	80,104	17,710	82%	-	80,104	17,710	82%
Professional Memberships	10,980	-	10,980	7,991	2,989	73%	584	8,575	2,405	78%
Resource Materials and Subs	43,550	-	43,550	202,962	(159,412)	466%	45,332	248,293	(204,743)	570%
Depreciation - Furniture	5,000	-	5,000	10,627	(5,627)	213%	-	10,627	(5,627)	213%
Depreciation - Computer	40,000	-	40,000	41,543	(1,543)	104%	-	41,543	(1,543)	104%
Amortization Lease	0	-	0	2,104	(2,104)	0%	-	2,104	(2,104)	0%
Capital Outlay	44,000	(44,000)	0	-	0	0%	-	0	0	0%
Recruitment Notices	25,000	-	25,000	14,257	10,743	57%	10,779	25,036	(36)	100%
Public Notices	65,000	(8,000)	57,000	5,620	51,380	10%	1,552	7,172	49,828	13%
Staff Training	181,000	107,500	288,500	169,028	119,472	59%	18,394	187,422	101,078	65%
RC & Committee Meetings	22,000	-	22,000	29,654	(7,654)	135%	9,587	39,240	(17,240)	178%
RC Retreat	17,500	-	17,500	18,381	(881)	105%	200	18,581	(1,081)	106%
RC General Assembly	17,500	-	17,500	22,669	(5,169)	130%	3,247	25,916	(8,416)	148%

**Budget v. Actual and Encumbrances**  
FY 2007

	Original Budget	Budget Changes	Revised Budget	Yr to Date		Pct of Bud	YTD		Pct of Bud
				Expenditures Thru Jun	Balance		Encum- brances	Expenditures Plus Encumbrs	
Other Meeting Expense	46,500	47,400	93,900	54,065	39,835	58%	4,309	58,373	62%
Miscellaneous	168,583	6,141	174,724	23,264	151,460	13%	9,959	33,224	19%
RC Meeting Stipends	130,000	-	130,000	108,335	21,665	83%	-	108,335	83%
Letter of Credit Interest	75,000	(34,161)	40,839	5,000	35,839	12%	-	5,000	12%
Caltrans Rapid Pay Fees	1,000	-	1,000	900	100	90%	-	900	90%
Cash Contributions to Projects	346,839	(346,839)	0	(1,574)	1,574	0%	-	(1,574)	0%
Printing	190,000	6,500	196,500	86,240	110,260	44%	11,413	97,653	50%
Travel	305,400	16,700	322,100	271,695	50,405	84%	403	272,098	84%
Travel - Lod > Per Diem	3,000	-	3,000	7,066	(4,066)	236%	-	7,066	236%
Travel - Event Registration	28,800	-	28,800	66,750	(37,950)	232%	350	67,100	233%
NARC BOARD EXPENSE	3,500	-	3,500	-	3,500	0%	-	-	0%
RC Special Projects	18,000	-	18,000	10,824	7,176	60%	50,000	60,824	338%
RC Sponsorships	91,800	850	92,650	48,105	44,545	52%	5,500	53,605	58%
	<b>5,379,519</b>	<b>(258,409)</b>	<b>5,121,110</b>	<b>4,045,589</b>	<b>1,075,521</b>	<b>79%</b>	<b>518,242</b>	<b>4,563,830</b>	<b>89%</b>
<b>Fringe Benefits</b>									
Vacation Accrual Reconciliation	-	-	-	0	0	0%	-	0	0%
Severance Pay	-	-	-	0	0	0%	-	0	0%
Sick Leave Payback	-	-	-	0	0	0%	-	0	0%
Compensation Awards	-	-	-	7,539	(7,539)	0%	-	7,539	0%
Retirement - PERS	1,958,949	-	1,958,949	1,797,659	161,290	92%	-	1,797,659	92%
Retirement - PARS	58,045	-	58,045	59,408	(1,363)	102%	-	59,408	102%
Health Insurance	1,185,855	(260,000)	925,855	776,405	149,450	84%	-	776,405	84%
Dental Insurance	117,067	-	117,067	88,157	28,910	75%	-	88,157	75%
Vision Insurance	39,159	-	39,159	27,012	12,147	69%	-	27,012	69%
Life Insurance	95,000	-	95,000	87,591	7,409	92%	-	87,591	92%
Medical & Dental Cash Rebate	240,000	260,000	500,000	559,237	(59,237)	112%	-	559,237	112%
Medicare Tax	157,977	-	157,977	134,521	23,456	85%	-	134,521	85%
Tuition Reimbursements	5,000	-	5,000	4,000	1,000	80%	-	4,000	80%
Bus Passes	23,250	(12,500)	10,750	13,576	(2,826)	126%	-	13,576	126%
Carpool Reimbursements	4,120	-	4,120	3,115	1,005	76%	-	3,115	76%
Bus Passes - Taxable	54,000	12,500	66,500	67,402	(902)	101%	-	67,402	101%
Workers Comp Insurance	236,900	-	236,900	234,722	2,178	99%	-	234,722	99%
Misc. Employee Benefits	11,923	-	11,923	3,133	8,790	26%	-	3,133	26%
Unemployment Insurance	25,000	-	25,000	7,178	17,822	29%	-	7,178	29%
Deferred Comp Match	76,500	-	76,500	73,411	3,089	96%	-	73,411	96%
Benefit Administration Fees	3,500	-	3,500	3,730	(230)	107%	-	3,730	107%
	<b>4,292,245</b>	<b>-</b>	<b>4,292,245</b>	<b>3,947,796</b>	<b>344,449</b>	<b>92%</b>	<b>-</b>	<b>3,947,796</b>	<b>92%</b>
<b>Other</b>									
Soft Match Contributions	4,025,853	203,136	4,228,989	1,640,780	2,588,209	39%	-	1,640,780	39%
Exp - Local cash	165,625	148,212	313,837	169,424	144,413	54%	-	169,424	54%
Reconcile to Burden	(316,384)	753,232	436,848	0	436,848	0%	-	0	0%
	<b>3,875,094</b>	<b>1,104,580</b>	<b>4,979,674</b>	<b>1,810,204</b>	<b>3,169,470</b>	<b>36%</b>	<b>0</b>	<b>1,810,204</b>	<b>36%</b>
<b>Grand totals:</b>	<b>46,615,259</b>	<b>1,996,741</b>	<b>48,612,000</b>	<b>27,829,308</b>	<b>20,782,692</b>	<b>57%</b>	<b>11,553,903</b>	<b>39,383,211</b>	<b>81%</b>